

CSI Target

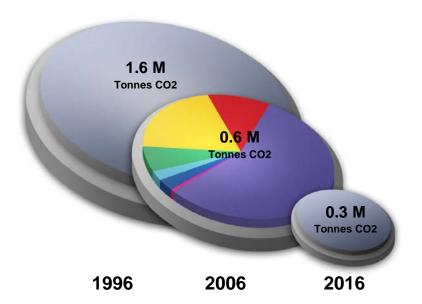
Chris Tuppen Chief Sustainability Officer

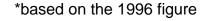




BT's green path

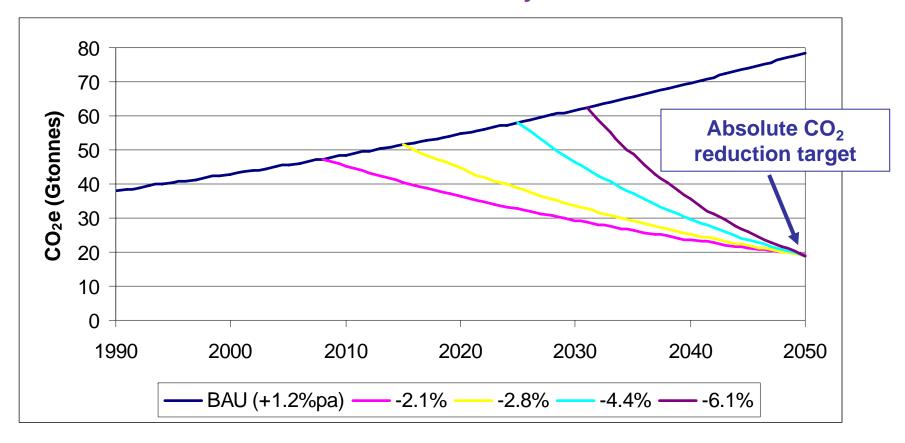
- BT consumes 0.7% of the UK's total power
- BT has reduced its UK carbon footprint by 58%*
- BT aims to reduce its UK carbon emissions by 80% by 2016*
- BT aims to reduce its carbon emissions intensity Globally by 80% by 2020*
- CSR and customer benefits alongside a key business benefit – cost reduction







50% reduction on 1990 levels by 2050

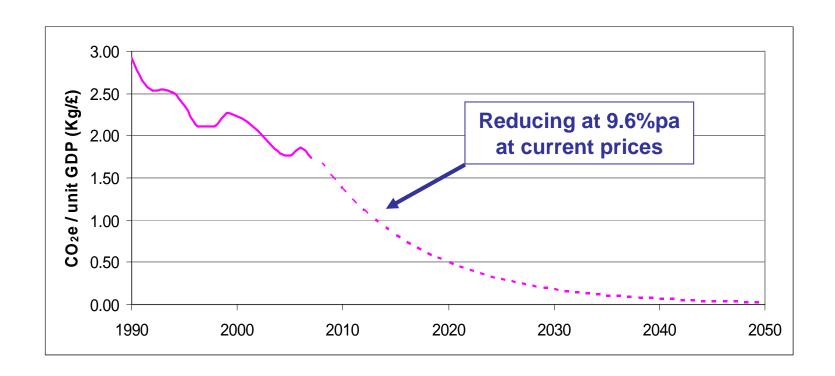


Average world GDP growth at constant prices (1980 to 2007) = 3.6% pa Decoupling of world CO2e emissions from economy (1990 to 2007) = 2.4% pa Net business as usual growth of world CO2e emissions = 1.2 % pa





World CO₂e intensity for 80% reduction in emissions

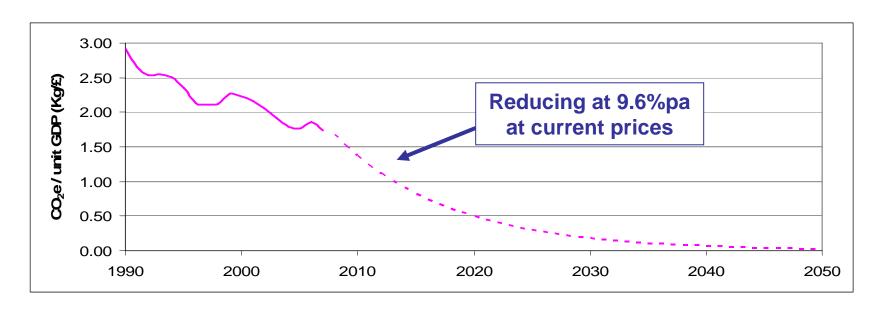


But what should a company do?





A company should



Match or exceed this trend – ie its CO₂e per unit of contribution to GDP* should drop by at least 9.6% pa

A company's contribution to GDP is defined as its Value Added, where:

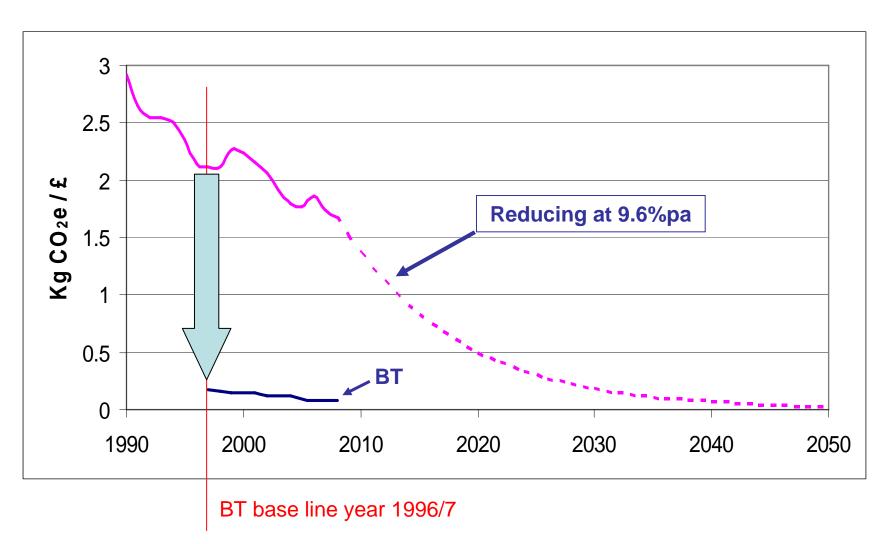
Value Added = EBITDA + employee costs = turnover – bought in costs and services





Adding in BT's CO₂e intensity

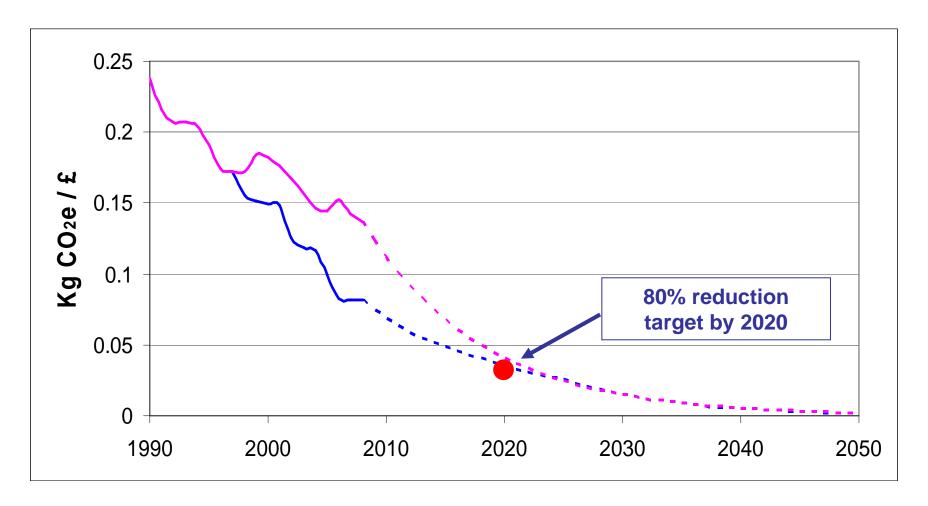
$$\left(\text{Intensity} = \frac{\text{CO}_2\text{e}}{\text{Value Added}} \right)$$







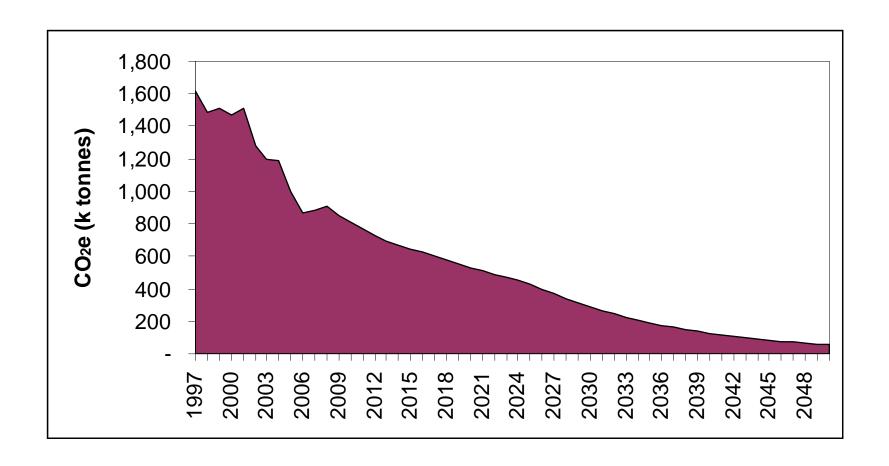
Setting a Climate Stabilisation Intensity Target







BT's emissions are dropping in real terms







Advantages of a CSI target

- Combines company environmental and financial performance
- Links company performance to global environmental and economic performance
- Accommodates the normal dynamics of businesses such as organic growth, acquisitions and outsourcing
- Provides a framework for modelling future strategy
- Allows straightforward benchmarking





Climate Stabilisation Intensity Target

Ensures emission reductions are sufficient to prevent catastrophic climate change.

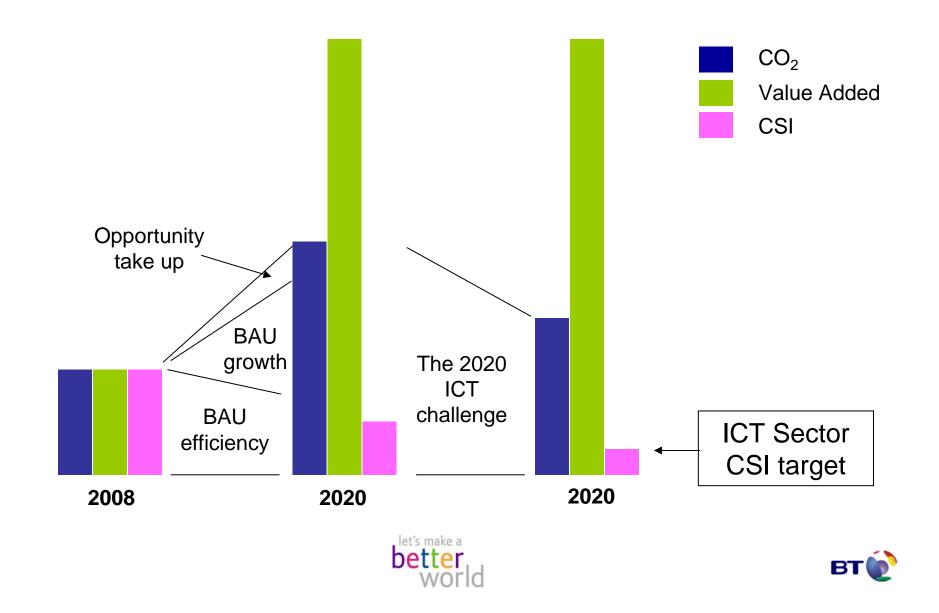
Links climate protection to economic growth.

Green growth for a low carbon future





An ICT Sector CSI Target?



Thank You



www.bt.com/betterworld