



# *CSR for Investors*

**Better World – Our Commitment to Society**

## CSR for Investors

Investors are increasingly interested in the social and environmental dimensions of business performance, and the relationship between these aspects and business strategy.

The key issue for investors is the 'business case' for sustainable development and CSR (Corporate Social Responsibility) – the extent to which social, environmental and ethical risks and opportunities are managed to both preserve and grow shareholder value.

### Common approaches

However, whilst a great deal has been written about the business case for CSR, much is generic – applying to the business sector as a whole rather than a specific enterprise – and often based on an intuitive, rather than quantified rationale.

There are few enterprise-specific, quantitative business cases for CSR.

Moreover, from an investors perspective, information in social and environmental reports is often both backward looking (when investors are more interested in future prospects) and unfocused (when investors are seeking information presented in terms of business strategy and growth).

### BT's approach

So, in communicating with investors, companies should be compiling forward looking, business-strategy related quantitative business cases for CSR and sustainable development.

You can read our first attempt at meeting these investor needs by following the links below to our Investor Centre site.

Here you can find an analyst's presentation and accompanying narrative that will identify the key sustainable development and CSR risks and opportunities for BT, set out how these are managed for future growth and illustrate where BT's CSR performance adds shareholder value.

Three core messages drive our communication with investor audiences:

- CSR is critical for optimising customer and employee satisfaction. For example, we estimate that BT's CSR performance accounts for over 25% of the Image and Reputation driver of customer satisfaction
- significant market opportunities are arising from social change and sustainable development. These include the application of Information Communication Technology (ICT) to tackle social exclusion, the growth of conferencing & teleworking, and on-line environmental management systems.
- proactive engagement in CSR gives BT a competitive advantage. This is supported by our ranking as the world's Number One Telecommunications Company in the Dow Jones Sustainability Index for two years running.

These messages link directly to five of the BT Group's seven top priorities for the next three years:

- a relentless focus on customer satisfaction
- financial discipline
- broadband at the heart of BT
- clear strategy for each customer group
- motivated people.

## The future

Showing how sustainable development and CSR add shareholder value is a tough challenge, but one that we feel is of increasing importance and relevance. Most importantly, the strength of individual business cases for CSR will become a key test of the extent to which the market is being shaped and harnessed to deliver sustainable development.

### See Also:

- BT Group Strategy
- 2003 Dow Jones Sustainability Index.