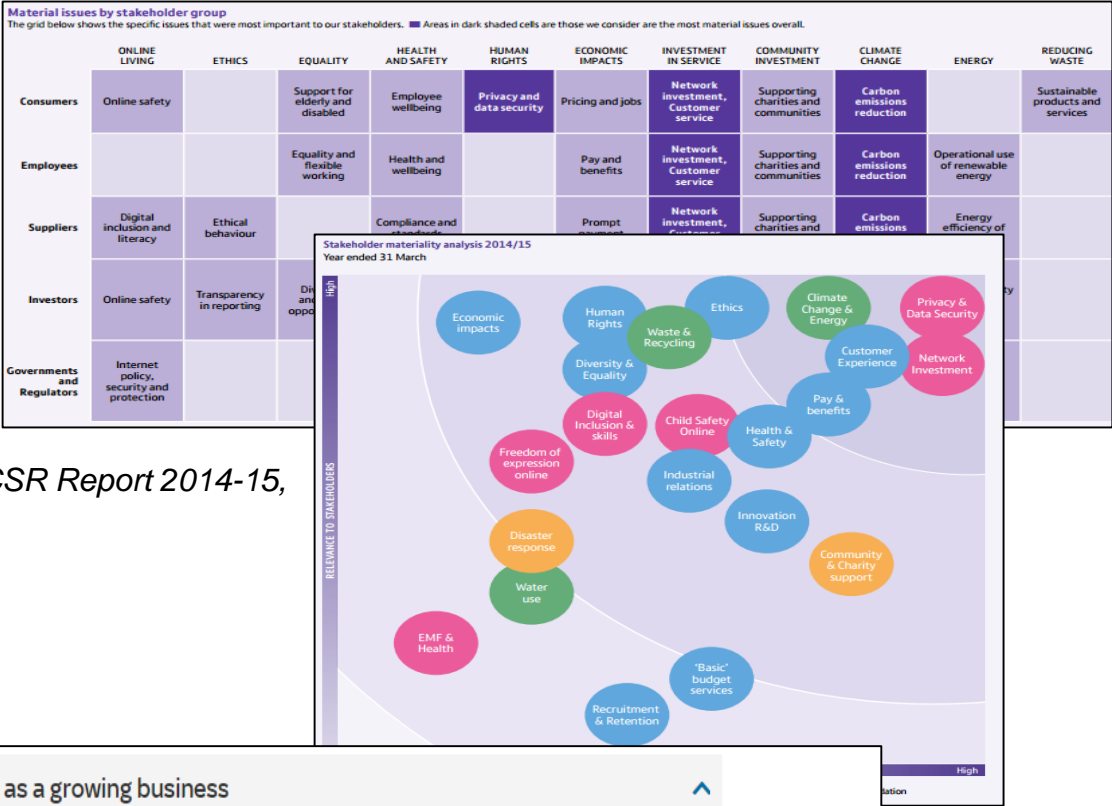


Good practices in sustainability reporting

Tip 6#: Materiality

Private sector



BT plc, CSR Report 2014-15, p9

Our contribution as a growing business

As a successful company, we make a significant and growing economic contribution to Britain and Ireland. The material sustainability issues we are addressing, and why they are important, are outlined below:

Material issue	Why it's important
Helping grow the economy	There are benefits of our investment and innovation to the economy, market and competition and other broadcasters, as well as Sky. See this year's Oxford Economic Report of the Impact of Sky on the UK economy .
Improving customers' lives	We want to inform, educate and inspire people, connecting them to each other and to the wider world.
Investing in creative industries and sport	To be a successful business it is important that the industry in which we work is successful. This gives us access to the best talent and the best production companies and also enables us to offer the best and broadest range of programming for our customers.
Championing creativity and opening up the arts	We want to celebrate the very best that arts in the UK and Ireland have to offer.

BSkyB, Our focus areas, sky.com

If you would like to discuss your sustainability reporting, please speak to your usual PwC contact, or email info@corporatereporting.com
PwC has a strong network of people who can advise on all aspects of your corporate reporting, as well as share our unique insight into the needs of the investment community.

Good practices in sustainability reporting

Tip 6#: Materiality

Public sector

Key factors affecting our performance

Material issues Our material issues are factors that have the potential to most significantly influence our ability to deliver our strategic objectives. They are reviewed on an annual basis through a cross-business workshop facilitated by an external third party. The results are endorsed by the Management Board.

Reputation and trust

Resources and relationships relevant to the issue

What it's about
A good business is a responsible business. Society expects that businesses should be managed responsibly.

What we're doing
Inspiring trust through leadership, and demonstrating how seriously we take our responsibility for the long-term management of the assets we look after on behalf of the nation.

Performance measures

- Being the partner of choice so that third party funds are available, when required, from appropriate partners (KPI)
- Improvements in the awareness and recognition of how we deliver conscious commercialism as indicated by key message delivery (KPI) and staff understanding (KPI)

Strategic objective

1 2 3 4 5 6

Sustained and profitable growth in response to our markets

Resources and relationships relevant to the issue

What it's about
Our response to changing market conditions will have a direct impact on the delivery of the growth of the business.

What we're doing
Implementing our investment strategy and tactical decision-making together with keeping costs under control and so contributing to grow our revenue surplus and outperform our peer group at a total return level.

Performance measures

- Annual revenue profit year-on-year growth (KPI)
- Total return compared to our IFO benchmark (KPI)

Strategic objective

1 2 3 5

Government policy

Resources and relationships relevant to the issue

What it's about
Changes in Government policy can have a significant impact on the business and our customers' investment and operational strategies.

What we're doing
We work with the grant of Government and need to anticipate and be responsive to changes in policy that may impact on our business.

Performance measures

- Active participation in key policy reviews, openly communicated through corporate channels

Strategic objective

1 5

Natural resources

Resources and relationships relevant to the issue

What it's about
Whilst some natural resources are abundant and create commercial opportunities for us and our stakeholders, other natural resources are finite and need to be managed responsibly if supply chains are to be secured and costs controlled.

What we're doing
We have mapped the natural resources we depend on, together with the functions they fulfil, to better understand where specific risks and opportunities may lie with regard to their ongoing availability and value to us and to society.

Performance measures

- Operational and development waste diverted from landfill
- Absolute water consumption

Strategic objective

1 5 6

Climate change

Resources and relationships relevant to the issue

What it's about
Climate change presents physical, financial and regulatory risk and opportunity to our business and society as a whole.

What we're doing
Managing and responding to the physical, financial and regulatory risk and opportunity that climate change presents to our business.

Performance measures

- Greenhouse gas emissions intensity indexed trend (KPI)
- GW of operational renewable energy capacity (KPI)
- Absolute emissions (KPI)

Strategic objective

5

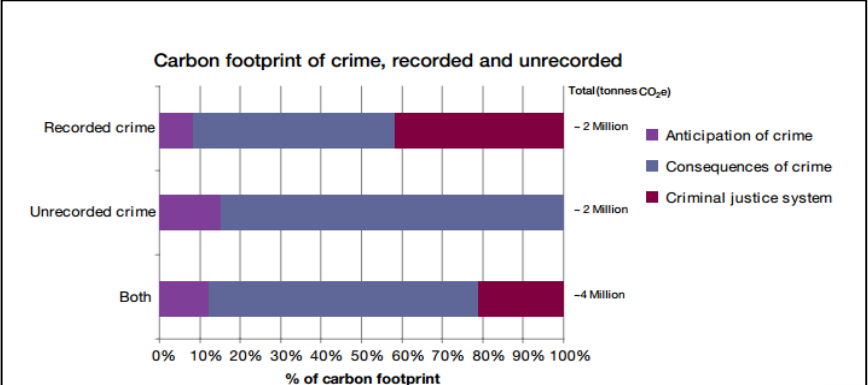
The Crown Estate, Annual Report 2014-15, p48

How the Home Office adds value to wider society

What we need Inputs	What we do Outputs	Our added value Outcomes
People	Police	Feeling safe and secure
Energy and Water	Tackle crime	Social cohesion
Budget	Cut out modern slavery	Protecting the environment
Assets	Border protection	Supporting charities
Staff	Control immigration	Human rights and equalities
Goods and Services	Issue passports and visas	Reducing impacts
	Counter terrorism	Climate change adaptation
	Promote growth	Helping the economy
		Protecting rural communities
		Protecting the taxpayer's interests

To fulfil our priorities and our vision we need to make our inputs and outputs efficient and effective while respecting the three areas of sustainability. In the rest of the report, we illustrate where we add value.

Home Office, Sustainability Report, p10 & 48



This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2015 PricewaterhouseCoopers LLP. All rights reserved. In this document, 'PwC' refers to the UK member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.