Trucost was engaged by AT&T to provide assurance of the greenhouse gas inventory data held within its 2016 CDP Climate Change Questionnaire Response

**Intended users**

The intended users of this assurance statement are the management and stakeholders of AT&T.

**Responsibilities of AT&T and the assurance provider**

The management of AT&T has sole responsibility for the preparation and content of the CDP Climate Change Questionnaire Response. Trucost’s statement represents its independent and balanced opinion on the content and accuracy of the information and greenhouse gas inventory data held within.

**Assurance standard**

Trucost undertook the assurance in accordance with AA1000AS (2008) Type 2 moderate-level assurance, covering:

- Evaluation of adherence to the AA1000APS (2008) Principles of inclusivity, materiality and responsiveness (the Principles); and
- The reliability of specified environmental performance information (greenhouse gas emissions).

Trucost used the Global Reporting Initiative (GRI) and the GHG Protocol to evaluate AT&T’s performance information and adherence to the Principles.

**Scope and limitations**

Trucost was engaged to assure the data and claims in AT&T’s 2016 CDP Climate Change Questionnaire Response. This submission covered the period 1 January 2015 – 31 December 2015. AT&T took an operational control approach. This statement relates specifically to the greenhouse gas inventory information provided in the following table, and may not be interpreted as validating environmental data reporting in other sources.

Trucost verified the environmental impacts (as calculated by AT&T) in the table in the next column.

**Description of methodology**

Trucost’s assurance activities included the following:

- Review of the processes by which AT&T defines the sustainability issues that are relevant and material to its operations and its stakeholders;
- Interviews with the Environmental Managers responsible for sustainability performance and data collection;
- Assessment of the extent to which AT&T’s sustainability activities adheres to the Principles;
- Limited assessment of evidence provided to support key claims in the 2016 CDP Climate Change Questionnaire Response;
- Review of processes and systems used to gather and consolidate environmental data; and
- Verification of data accuracy for a selection of sites, including an audit of conversion factors and calculations used.

**Findings, conclusions and recommendations**

The Principles: Nothing came to Trucost’s attention to suggest that AT&T’s 2016 CDP Climate Change Questionnaire Response does not adhere to the Principles.

Data Reliability: Trucost did not find evidence to insinuate that the processes and systems in place to collect and collate environmental data are such that the company’s environmental performance would be erroneously described. AT&T uses spreadsheet tools to calculate greenhouse gas emissions. Energy and fuel use data was input from original invoices.

AT&T has implemented excellent processes and software systems to collect inputs and calculate greenhouse gas emissions. Upon evaluating the various components of this system, Trucost found that, overall, the consumption data was accurate and any minor corrections were made as necessary. Trucost recommends that the emission factors be updated annually or as updated emission factors are available.
**Inclusivity:** the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability

AT&T engages a diverse range of stakeholders, including customers, employees, consumer and privacy interest groups, suppliers, industry analysts, environmental non-governmental organizations, diversity, education and research organizations, public policy makers, investors and community agency groups.

AT&T is currently updating its formal mapping of key stakeholders as a part of its 2016 materiality analysis. This formal stakeholder mapping helps standardize and systematize its engagement processes and is published on AT&T’s website.

AT&T engages with all stakeholders at least on an annual basis, or more often as needed (e.g. employee feedback surveys or investor communications). Stakeholder input is important to AT&T’s overall continuous improvement process.

AT&T also engages its stakeholders to encourage improvements in sustainability performance. For example, AT&T engages stakeholders through its annual sustainability supply chain survey that was initiated in 2009 and its Supplier Sustainability Awards program that began in 2011.

**Materiality:** determining the relevance and significance of an issue to an organization and its stakeholders

AT&T completes a sustainability materiality assessment every two years. This materiality assessment is being updated this year and is based on the Global Reporting Initiative’s (GRI) metrics & criteria. The Chief Sustainability Officer presents the results of the materiality assessment to the officer-level Citizenship and Sustainability Steering Committee and to the Public Policy and Corporate Reputation Committee of the AT&T Board of Directors.

Issues are assessed both by importance to stakeholders and by influence on business success. Issues that rank more highly will be addressed with greater programmatic support, engagement, and communication.

Details about the materiality assessment and issue briefs on many of the sustainability metrics examined are provided on AT&T’s website.

In 2016, AT&T has expanded the scope of the materiality assessment’s data collection and outreach to reflect the company’s expansion into Mexico and Latin America, and the purchase of DirecTV.

AT&T responds to stakeholder input and addresses stakeholder issues through a variety of methods. Issues are all addressed on an ongoing basis and, depending on significance, may be brought up on monthly sustainability “expert team” meetings or elevated to AT&T’s Executive Environmental Council. The Executive Environmental Council participates in regular reviews of AT&T’s EHS performance and programs and ongoing implementation of environmental policy. AT&T also has a steering committee of company officers that meet quarterly to discuss emerging trends. Often these trends are raised by AT&T’s stakeholders.

AT&T has set several environmental reduction targets for its greenhouse gas emissions. These include a target for reducing its absolute Scope 1 emissions by 20 percent by 2020 from a 2008 baseline, and reducing the intensity of its electricity consumption relative to network growth by 60 percent by 2020. AT&T also has set a goal for its top suppliers to attain an average score of at least 80 percent on AT&T’s Citizenship and Sustainability (C&S) Scorecard by 2017. The C&S Scorecard covers four key categories including policy breadth, rigorous goals, reporting transparency and supply chain governance.

**Assurance provider**

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost’s research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost did not provide any services to AT&T during FY2015 that could conflict with the independence of this work.

**Trucost plc**
**London, June 2016**

**Alastair MacGregor**
**Director**