PROGRESS TOWARD GOALS

Future focused. Purpose driven.
2018/2019
Corporate Responsibility Summary

WarnerMedia and Xandr data not included, unless otherwise noted.
## Progress Toward Goals

As we near or reach attainment on several of our goals, we'll be setting our sights even higher – identifying new measures that continue to push us and reflect the direction of our evolving business.

### OUR NETWORK AND CUSTOMERS

#### 2020 GOAL

We will continue to drive reductions in emissions and increases in resource efficiency and alternative energy deployment. We will enable AT&T customers to lead more sustainable lives by expanding access to technology, further integrating sustainability solutions into products and measuring the impacts.

#### GOAL

**Scope 1 Emissions**

- **Reduce our Scope 1 GHG emissions 20% by 2020**
  - using a 2008 baseline of 1,354,054 metric tons CO\textsubscript{2}e.

- **Electricity Intensity**
  - **Reduce electricity consumption 60% by 2020 relative to data traffic**
    - on our network (our energy intensity metric) using a 2013 baseline of 233 MWh electricity/petabyte of network traffic.

- **Fleet Management**
  - **Reduce U.S. fleet emissions 30%**
    - using a 2008 baseline of 865,777 metric tons CO\textsubscript{2}e.

- **Alternative Energy**
  - **Expand alternative energy**
    - through on-site capacity and pursuing off-site renewables.

#### PROGRESS

- **Reduced by 24.7%**
  - We emitted 1,019,696 metric tons CO\textsubscript{2}e in 2018. Year-over-year, our Scope 1 GHG emissions are down 4.6% from 2017.

- **Reduced by 78%**
  - Our energy intensity was 51 MWh electricity/petabyte in 2018.\(^1\)

- **Reduced by 26%**
  - Our U.S. fleet emitted 638,189 metric tons CO\textsubscript{2}e in 2018. Year-over-year, our fleet emissions are down 7.5% from 2017.

- **Invested in up to 820 MW of wind power**
  - In 2018, we invested in up to 820 MW of wind power through agreements with subsidiaries of NextEra Energy Resources, the world’s largest operator of renewable energy projects. Our Bloom natural gas fuel cells bring our total on-site alternative energy capacity to 50.8 MW.

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1. In 2018 and going forward, we include satellite traffic in our total network traffic (total production). Prior to this addition, our 2018 energy intensity metric would have been 100 MWh/PB. Learn more about how we calculate total traffic for our energy intensity in our Energy Management issue brief.
Progress Toward Goals continued

OUR NETWORK AND CUSTOMERS

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**GOAL**

**Product Efficiency**

Provide consumer device sustainability information for all AT&T-branded network-connected consumer wireless devices.

**Device Recycling**

Collect 200 million devices for reuse, refurbishment or recycling by end-of-year 2020.

**Greenhouse Gas Methodology**

Understand our GHG impact by developing a robust methodology to measure the impact of the AT&T network’s greenhouse gases on society.

**PROGRESS**

Rated 100% of eligible devices

Our Eco-Ratings system provides customers with a rating for environmental and social details about how the devices we sell are made.

Refurbished or recycled 175 million devices

As of the end of 2018, AT&T has refurbished or recycled approximately 175 million devices since 2007. This includes approximately:

- 92 million DIRECTV devices
- 18.7 million U-verse devices
- 10 million broadband devices
- 53 million mobility devices

Developed methodology and measuring GHG impact

With leading non-government organizations, industry groups and peer companies, AT&T developed a credible methodology to measure the GHG impacts of customers’ use of AT&T technology in an effort to track progress against our 10x Carbon Reduction Goal. Read more at att.com/10x
## OUR NETWORK AND CUSTOMERS

### 2020 Goal

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### Goal

<table>
<thead>
<tr>
<th>Goal</th>
<th>Progress</th>
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<tbody>
<tr>
<td><strong>Fiber &amp; Broadband Deployment</strong></td>
<td><strong>Reach 12.5 million locations with all-fiber internet access</strong> such as residences, home offices and very small businesses, by mid-2019.²</td>
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<tr>
<td><strong>Social &amp; Environmental Impact</strong></td>
<td><strong>Demonstrate positive social and environmental impacts</strong> of AT&amp;T-connected devices and solutions through internal and external collaboration.</td>
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<tr>
<td><strong>Developing innovative solutions and case studies</strong></td>
<td><strong>Reached 11 million locations</strong> By the end of 2018, we deployed all-fiber internet access to 11 million locations.</td>
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² Consistent with the requirements of the FCC DIRECTV Merger Order.
By 2025, AT&T will enable carbon savings 10 times the footprint of our operations by enhancing the efficiency of our network and delivering sustainable customer solutions.

**2025 GOAL**

**Operational Efficiency**

*Enhance operational efficiency* to achieve a net-positive ratio between our operational footprint and the carbon reductions our technology makes possible for customers using our services.

**Customer Enablement**

*Deliver customer solutions* to achieve a net-positive ratio between our operational footprint and the carbon reductions our technology makes possible for customers using our services.

**GOAL PROGRESS**

**Continued emissions reductions**

We continue to reduce our greenhouse gas emissions through extensive energy efficiency efforts in our buildings and network, optimization of our vehicle fleet and through large-scale renewable energy purchases. We also continue to leverage our technology to identify opportunities for additional improvements in operational efficiency.

**Enabled reductions 2X our footprint**

At the end of 2018, we calculated that AT&T technology enabled customer GHG emissions reduction approximately 2 times the GHG emissions footprint of our operations.
Our Supply Chain

2020 Goal

We will lead our supply chain to improve its social and environmental impacts by integrating sustainability performance metrics into our sourcing decisions for 80% of our spend.\(^3\)

Goal

Sustainable Sourcing Standards

Incorporate sustainability-oriented sourcing standards and analysis into sourcing decisions with strategic suppliers by the end of 2018.

Progress

Conducted supplier assessments and audits

In 2018, AT&T Global Connections and Supply Chain continued to require suppliers to adhere to our Principles of Conduct for Suppliers through our Supplier Portal and supplier contract agreements. We received over 200 sustainability assessments from suppliers during 2018. We led 5 on-site supplier factory audits as a member of JAC. AT&T continues to make progress with efforts including the incorporation of sustainability clauses into RFPs and agreements, training our sourcing managers on the principles of sustainability, and providing updates to sourcing managers on the sustainability performance of existing suppliers. During 2018, we also provided sourcing managers with access to third-party supplier sustainability reports for use in sourcing decision-making for suppliers. AT&T will continue to expand incorporation of sustainability-oriented standards and analyses into sourcing decisions.

\(^3\) This goal is focused on network, consumer equipment and corporate services spend, and does not include video content and entertainment companies.
Help establish clear, agreed-upon industry sustainability metrics to measure the environmental and social impact of technology supply chains.

Collaborated with industry-leading organizations

To evaluate our suppliers on social and environmental criteria, we work with multiple third-party industry organizations, including:

- **TIA-QuEST Forum**: AT&T helped lead the sustainability working group tasked with advancing the evolution and use of the TIA Sustainability Assessor tool. During 2018, we used this tool with our suppliers, replacing a proprietary AT&T supplier scorecard.

- **CDP**: AT&T annually notifies about 450 of our strategic suppliers, representing 80% of our spend, to respond to the CDP supply chain survey and report on GHG emissions. Using industry-accepted methods, we gather their emissions data, reduction goals and associated progress.

- **Joint Audit Cooperation (JAC)**: We worked with JAC to conduct 5 Corporate Social Responsibility Audits of our suppliers’ manufacturing facilities. JAC member telecommunications companies share supplier audit results, allowing for improvement while reducing supplier audit fatigue.

- **Sustainable Purchasing Leadership Council (SPLC)**: AT&T uses guidance documents produced by the SPLC, which evaluates sustainable purchasing standards and tools in the market and publishes guidance for conducting RFx evaluations.
Progress Toward Goals continued

OUR SUPPLY CHAIN

2025 GOAL

We will work with our industry peers to develop and promote adoption of sustainability metrics that will transform the environmental and social impact of technology supply chains.

GOAL

Industry Sourcing

Promote the use of sustainability metrics in industry sourcing.

Sustainability Performance

Develop and follow an industry roadmap toward truly sustainable performance among our suppliers.

PROGRESS

Encouraged tier 1 supplier reporting

AT&T suppliers currently use CDP supply chain and TIA Sustainability Assessor metrics to report GHG emissions and sustainability progress. This provides AT&T and other TIA-participating companies the ability to benchmark supplier emissions and work with suppliers on making improvements.

Collaborated with suppliers and organizations

AT&T is moving our suppliers along an industry roadmap with CDP, JAC and TIA-QuEST Forum to continuously improve measurements, benchmarking and results in sustainable supplier performance.
Progress Toward Goals continued

OUR COMMUNITIES

2020 GOAL

We will invest resources, develop initiatives and collaborate with stakeholders with the goal of increasing the U.S. high school graduation rate to 90% by 2020.4

GOAL

Education and Training

Invest in education & training programs that use technology to address education challenges, help students get through high school and beyond, and provide the skills needed to get and keep good jobs.

PROGRESS

Committed $500 million

In the 10 years since its inception, we’ve committed more than $500 million to programs that help students as part of the AT&T Aspire program.

Educational Technology Solutions

Support technology applications that solve educational challenges through the AT&T Aspire Accelerator.

PROGRESS

Enrolled 8 new accelerator participants

In 2018, AT&T supported 8 organizations in the 4th Aspire Accelerator class with financial investment, access to expert services and mentorship. The 27 participants from the 4 classes have together reached more than 22.6 million students.

2020 GOAL

We are committed to hiring veterans and their family members into AT&T career opportunities.

GOAL

Veteran Career Opportunities

Hire more than 20,000 veterans and their family members between 2013 and 2020.

PROGRESS

Reached 87.5% of our hiring goal

Through the end of 2018, we have hired 17,500 toward our goal. As we look past 2020, AT&T will continue pursuing programs and efforts to support veterans and their families. In support of our hiring needs, we will guarantee an interview to each veteran applicant who completes an AT&T-supported upskilling program and/or meets all requirements for a posted position.

4 Graduation rate as measured by GradNation, a campaign of America’s Promise Alliance:
We will invest resources, develop initiatives and collaborate with stakeholders to close the skills gap by increasing the number of Americans with high-quality post-secondary degrees or credentials to 60% by 2025.5

**GOAL**

**Advanced Degrees**

Promote STEM training through ongoing education programs.

**PROGRESS**

Invested in credential & degree programs

In 2018, we continued to invest in credentialing, certification or specialized degree programs that help propel students in their careers. Highlights included:

- Supported Udacity Nanodegree programs, which provided 50,000 learners with online job-ready skills training.
- Joined Udacity to provide more than 1,200 scholarships for underserved students through qualified non-profit organizations.
- Collaborated with Georgia Tech, Notre Dame, North Carolina A&T State University and others to create opportunities leading to degrees or certifications in specialized fields.

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5 Degree/credential rate as measured by the Lumina Foundation: https://www.luminafoundation.org/lumina-goal