

## Our Progress

We set broad goals to guide our progress in each of our key focus areas. Below is a summary of progress against our 2009 goals – and our commitments moving forward.

# Strengthening Communities

## Philanthropy

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### 2009 Goal

Make a measurable impact on the educational and future economic success of at-risk youth.

### 2009 Progress

- \$66.6 million granted to school districts and education organizations.

- Students reached through job shadow program grew to 23,000 total in 201 cities.
- Reached two-year total of 84 community dropout summits with 27,000 local business, education and government leaders.
- Conducted and released “On the Front Lines of Schools” study and other research.

### Moving Forward – 2010 Goal

Conduct program evaluations of 82 grant recipients in 2010 to identify best practices of high school drop-out prevention programs, and utilize findings to strengthen the impact of future funding.

## Volunteerism

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### 2009 Goal

Begin transforming the culture of volunteerism within the company to one of renewed engagement.

### 2009 Progress

- Launched AT&T Cares to provide volunteerism options and tools for approximately 280,000 employees, supporting their community service, and encouraging them to create change and stay engaged.
- AT&T Cares Web site received more than 90,000 visits in six months.

- Teamed up with YourCause.com to enable employees to create personalized Web pages to raise awareness and increase donations to the causes of their choice; through AT&T YourCause pages, employees raised more than \$98,000 in three months.
- AT&T Pioneers and employees partnered with Share Our Strength on two companywide food drives, holding drives in 148 cities and collecting 75 tons of food and more than \$27,000 in donations to help fight childhood hunger.

- AT&T Pioneers added nearly 6,000 new members, the most successful recruitment campaign in recent years.

### Moving Forward – 2010 Goal

Provide job shadowing opportunities to a total of 50,000 students by the end of 2010.

# Investing in People

## Workforce Diversity

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### 2009 Goal

Be recognized as an employer of choice by fostering an inclusive work environment that successfully uses diversity to drive innovation, productivity and engagement.

### 2009 Progress

- AT&T’s U.S. workforce is 41 percent female, 38 percent people of color. Women are 40 percent of AT&T managers — above average for Fortune 500 companies.

- Earned recognition in widely-respected rankings, including:
  - Top 50 Companies for Diversity, *DiversityInc.* (No. 2)
  - Top 10 Companies for Recruitment & Retention, African Americans and LGBT Employees, *DiversityInc.*
  - The 50 Best Companies for Latinas to Work, *LATINA Style Magazine*
  - Best Companies for Diversity, *Black Enterprise*

- Diversity Elite 60, *Hispanic Business Magazine*
- Best Places to Work, Human Rights Campaign
- Top 50 Most Military-Friendly Employers, GI Jobs

### Moving Forward – 2010 Goal

We strive to maintain and develop a diverse and talented workforce using the high school educated national labor force as our benchmark.

## Supplier Diversity

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### 2009 Goal

Expand engagement with minority-, women-, and disabled veteran-owned business enterprises as AT&T suppliers.

### 2009 Progress

- Interviewed hundreds of prospective diversity businesses around the country through more than 150 outreach events.

- Named among Best 25 Companies for Supplier Diversity, *Hispanic Business.*
- Named among America’s Top Corporations for Women Business Enterprises, *WBENC.*
- Earned DiversityNXT Corporate Award for providing “nextgeneration” contracting opportunities to diversity suppliers.

- Named among Best Corporations for Veteran-Owned Businesses, *Vetpreneur.*
- Spent \$6.9 billion, or 14.2 percent of total procurement, with diverse suppliers.

### Moving Forward – 2010 Goal

Our long-term goal is to achieve 21.5 percent spend with diverse suppliers.

## Research Diversity

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### New Goal

In 2010, fund and support AT&T Labs Fellowship Program by providing scholarships and mentoring for up to three women or minority candidates who wish to work toward a Ph.D. in science and engineering.

# Leading With Integrity

## Supply Chain

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### 2009 Goal

All suppliers to have read AT&T's Citizenship & Sustainability Principles of Conduct for Suppliers by year-end 2009.

### 2009 Progress

- AT&T Principles of Conduct for Suppliers have had more than 2,500 Web hits since 2009 introduction.

- Conducted broad survey of Citizenship & Sustainability practices among approximately 150 top suppliers who account for the large majority of our spend; all of the suppliers who have responded confirm reading the Principles.

## Ethics and Compliance

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### 2009 Goal

Increase employee awareness of the Code of Business Conduct and encourage ethical leadership.

### 2009 Progress

- More than 99 percent of AT&T employees have taken Code of Business Conduct training, which incorporates human rights and anti-corruption topics.
- More than 99 percent of managers completed course on Ethical Leadership in 2009, which emphasizes importance of modeling ethical behavior as a leader of the company.

### Moving Forward – 2010 Goal

Implement a streamlined Code of Business Conduct in 2010, and achieve a training completion rate of greater than 99 percent across the entire employee base.

# Minimizing Our Environmental Impact

## Fleet

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### 2009 Goal

Over the next 10 years, replace about 8,000 petroleum-powered service vehicles with vehicles that run on compressed natural gas (CNG) and begin replacing 7,100 passenger cars with alternative-fuel models.

### 2009 Progress

- In 2009 deployed the following vehicles:
  - 600 CNG Service Vehicles
  - 258 Hybrid Electric Vehicles
  - One All-Electric Delivery Vehicle
- These vehicles bring AT&T's alternative-fuel vehicle fleet to 970, including 625 CNG and 344 Hybrid Electric Vehicles and one All-Electric Vehicle.
- Received Environmental Leadership Award from *Automotive Fleet*.

### Moving Forward

Replace retiring passenger vehicles with alternative-fuel models and deploy approximately 8,000 compressed natural gas (CNG) service vehicles by the end of year 2013.

## Energy Consumption

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### 2009 Goal

Reduce the electricity consumption of our company relative to data growth on our network by 15 percent as compared with year 2008.

### 2009 Progress

23.8 percent improvement in 2009 over 2008 performance.

### Moving Forward – 2010 Goal

Reduce the electricity consumption of our company relative to data growth on our network by 16 percent as compared with year 2009.

## Consumption

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### New Goal

Complete a water footprint assessment in 2010.

# Connecting People and Business

## 2009 Goal

Move the industry's approach to consumer privacy forward to a model of privacy by design: transparency, customer control, privacy protection and customer value.

## 2009 Progress

- Made AT&T privacy policies easier to find and read.
- Experimented with new ways to provide users transparency and control over data collection/use for Internet advertising purposes. For example, tested effectiveness of different ways of notifying users that their activity on [www.YP.COM](http://www.YP.COM) will be used to target advertising to them elsewhere on the Internet, and allowing users to view and edit their profile.
- Worked with organizations such as Enough is Enough, Connect Safely and the Ad Council's Internet Safety Coalition to promote online safety education and awareness for parents. Collaborating with iKeepSafe to launch The Privacy and Online Reputation Project for greater consumer awareness of privacy issues on the Internet.
- Held training sessions at the American School Counselors Association conference and distributed more than 2,000 sets of curricula and presentations. To date, 4,200 counselors/

educators have sought materials from ASCA and 2,200 educators have downloaded content from [www.ikeepsafe.org/asca](http://www.ikeepsafe.org/asca).

- Assisted elected officials with outreach through support in community forums and town halls and by providing educational materials for parents.
- Worked with National Partnership for Safe Computing to educate constituents in congressional districts by working with interested members of Congress. Visit [www.safecomputingtownhall.org](http://www.safecomputingtownhall.org).
- Continued cybersafety educational program for mature Americans – Safe Surfing – as part of AT&T's Mature Adults Connected (MAC) initiative. MAC teaches seniors how to use wireless devices more safely and efficiently and offers cyber safety tips. Helped more than 6,000 seniors learn to stay safer in the digital world.
- Interviewed by Gwenn Schurgin O'Keeffe, CEO and Editor-In-Chief of Pediatrics Now, who is writing a book on online safety and plans to feature AT&T's [www.att.com/safety](http://www.att.com/safety) site.

## Moving Forward — 2010 Goals

### Consumer

In cooperation with device original equipment manufacturer (OEM) suppliers, the following goals apply to new handset models in the AT&T Mobility portfolio:

- By the end of year 2010, avoid virgin materials mined in conflict zones in the Democratic Republic of the Congo.
- By the end of year 2011:
  - Reduce packaging, use non-petroleum-based inks and use recycled materials in documentation
  - Have a majority comply with the GSMA Universal Charging Solution
  - Attain 75 percent that meet a recyclability rate of at least 65 percent
  - Comply with the EU Restriction of Hazardous Substances (RoHS) standard for reduction of hazardous substances

### Enterprise

- Launch customer tools to quantify carbon emissions avoided from use of specific offerings that reduce travel.
- Establish external advisory board to promote ICT as a sustainability enabler, and develop measurements for the environmental impact of ICT products and services.

# Leading Innovation and Technology

## Innovation

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### 2009 Goal

Conduct research that improves society's understanding of and ability to deal with environmental sustainability.

### 2009 Progress

- Collaborated with a team at the University of Melbourne to quantitatively estimate electrical consumption of intercontinental-scale Internet protocol (IP) networks.
- Conducted analysis of energy consumption of software in data centers to determine how various infrastructure arrangements, individual devices, applications and operating systems could help data centers to run more efficiently.

- Released new versions of Maxent Software, used for species distribution modeling. In collaboration with the American Museum of Natural History, Steven Phillips, of AT&T Labs, taught a week-long course on species distribution modeling to conservation practitioners.
- Continued work as chair and member of the Alliance for Telecommunication Industry Solutions, the North American telecommunications standards development organization.

- Chaired the Telecommunications Energy Efficiency subcommittee of the Network Interface Power and Protection Committee. Specifically, in 2009, the group developed and published standards for servers, routers and Ethernet switch products.

### Moving Forward — 2010 Goal

Apply Labs' resources in 2010 to one or more projects that improve society's understanding of/ability to deal with health care, education or assistive services.

## Energy

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### 2009 Goal

Add to the understanding of energy consumption implications of service and/or equipment platform alternatives.

### 2009 Progress

- Began trials of Switch Grooming Project, an initiative to groom circuit switches that connect all of AT&T's telephone lines and consolidate unused lines.

- Increased attention on potential cost savings and business opportunities enabled by cloud computing technology and server virtualization.

- AT&T developed a practical application for data center architecture based on standard unit of computing that would allow data to fit in defined amount of space.

### Moving Forward — 2010 Goal

Add to the understanding of energy consumption implications of service and/or equipment platform alternatives.