ESG Summary
July 2022

The value of connectivity
Live true
Do the right thing, no compromise.
This underpins all our other values and it begins with how we treat our customers and each other. None of us is perfect. But when we make a mistake, we have the character and courage to make it right and learn from it.

Think big
Innovate and get there first.
AT&T is where people come to invent the future. That’s been our legacy since the very beginning. In everything we do, we aim to set the pace for everyone else.

Pursue excellence
In everything, every time.
We work tirelessly to make sure that everything we deliver represents our very best. We may not be perfect, but we always learn from our experiences and constantly improve.

Be there
When customers & colleagues need you most.
Whether it’s restoring service during a natural disaster or helping a community recover from hardship, that’s when we’re at our best.

Stand for equality
Speak with your actions.
Whatever a person’s race, ethnicity, gender, sexual orientation, religion, physical ability or other characteristic, we respect and value them. We know that building a greater understanding of our differences makes us stronger.

Make a difference
Impact your world.
This defines who we are, both as a company and as individuals. We can each make a difference in our communities and for the people around us.
Letter from our Chief Executive Officer

We're at the dawn of a new era of connectivity, one which we believe represents an opportunity to make positive and lasting contributions to the world around us. To deliver on that promise and maximize our performance as a company, we actively monitor and adjust the way our operations interact with the environment and society, and work to effectively manage those impacts.

This report illustrates how AT&T is enhancing our resilience and supporting our stakeholders by addressing leading environmental, social and governance (ESG) issues. For example:

• Our employees tell us they want their work to serve others in a meaningful way. There's perhaps no better model than our belief in internet for all and our pledge to help the millions of Americans who still cannot access or afford fast, reliable connectivity. Our efforts include advocating for thoughtful governmental policies and strategically deploying our $2 billion commitment to help close the digital divide – which includes broadening our low-cost connectivity offerings and launching AT&T Connected Learning resources across the country.

• AT&T has set an industry-leading target to help businesses collectively reduce a gigaton of greenhouse gas (GHG) emissions by 2035 – equivalent to roughly 19% of all 2020 U.S. GHG emissions. We’ve established a Connected Climate Initiative to advance this effort alongside talented business, research and community leaders. And we’re executing plans to aggressively reduce our own operational emissions, to be carbon neutral by 2035.

• As we continue to work toward a more equitable society, I’m proud that AT&T has been recognized for our efforts to build a company culture where every employee is treated with fairness and provided equal opportunities to advance. But there is always more we can do, which is why we now make public our traditional measurements of workforce demographic data and are looking to our senior leaders to help improve diverse representation across all levels.

I invite you to read on and learn more about our ESG focus areas and commitments, how these efforts are creating long-term value across our operations and how we’re positively impacting the lives of others and the environment around us.

John Stankey
Chief Executive Officer, AT&T Inc.
How we create value

Our purpose
We create connection – with each other, with what people need to thrive in their everyday lives and with the stories and experiences that matter.

Key inputs
The resources that we rely upon to create value.

What we do
We create new and exciting customer experiences that connect people with who and what they love.

ESG approach
We integrate ESG issues into our operations and use our platform to drive positive impact.

Outcomes
The value we create through our operations and actions.

AT&T and Shareholders
We sustain long-term business performance by maximizing network reliability and security, and by constantly innovating to maintain and grow our customer base.

Customers and Communities
We leverage our network for positive social impact, providing critical connectivity, helping bridge the digital divide and supporting disaster response and recovery.

Employees
We empower our people to deliver on our corporate purpose and advance their careers, while fostering a diverse, equitable and inclusive workforce.

Suppliers
We extend our ESG efforts throughout our supply chain, helping lead industry practice and enhance resilience for our business and others.

Environment
We’re enhancing operational resilience on our way to carbon neutrality and are helping customers reduce emissions through smart connectivity solutions.

ESG material topics
We regularly assess and prioritize the material ESG risks and opportunities impacting AT&T, as well as issues where AT&T significantly impacts external stakeholders (page 42).
Unlocking value for WarnerMedia, AT&T and shareholders

Long-term success requires continuous transformation. Opportunities in streaming media are rapidly evolving, such that maintaining a leadership position requires global scale, access to capital and a broad array of high-quality content and industry-leading talent. Recognizing these needs, AT&T is combining our WarnerMedia unit with Discovery to create a standalone global entertainment company.

We expect this deal will lead to accelerated growth for both AT&T and WarnerMedia. Separating these businesses into 2 independent companies – 1 focused on broadband connectivity and the other on media – can attract investors whose interests are aligned with the respective growth and income aspects of each company.

The result will be a more streamlined AT&T with better flexibility to invest in our unique position as a trusted connectivity provider.

Through sharp execution and emphasis on our core connectivity business, we delivered strong financial results in 2021. Looking ahead, we’re focusing on opportunities that align with our capabilities and strengths as a leading connectivity provider.

Throughout 2021, we invested in strategic growth areas such as fiber, 5G and HBO Max, while refining our operations to better grow customer relationships and achieve profitability and a mobility customer acquisition cost per gross add 23% lower than a year ago – reflecting our improved operating leverage and cost control activities across the business.

Our transformation is about becoming a simpler, more focused business – growing customer relationships and winning over the long term as America’s best broadband connectivity provider. We continue to invest in our strengths and are working to extend our fiber footprint to 30 million locations by the end of 2025.

Customer growth across mobility and broadband

Total U.S. Mobility Subscribers

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<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
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<tbody>
<tr>
<td>U.S. Postpaid Phone Subscribers</td>
<td>62,854</td>
<td>64,216</td>
<td>67,260</td>
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<tr>
<td>AT&amp;T Fiber Connections</td>
<td>3,887</td>
<td>4,951</td>
<td>5,992</td>
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Communications segment operating contribution by business unit

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<tr>
<td>Mobility $ millions</td>
<td>22,321</td>
<td>22,372</td>
<td>23,182</td>
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<tr>
<td>Business Wireline $ millions</td>
<td>1,377</td>
<td>1,377</td>
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<td>Consumer Wireline $ millions</td>
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2021 financial results

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Network quality and reliability

Millions of individuals, families, businesses and public safety agencies depend on our network every day. To support this essential connectivity, we continually invest to enhance the speed, quality and reliability our customers require.

We collect billions of service-assurance measurements across our wireless and wireline networks every hour and analyze this data in near-real-time to help improve performance and deliver the best customer experience. Over the past 6 years (2016-2021), we’ve invested more than $135 billion in our wireless and wireline networks. We’ve also shifted 100% of our layer 3 core network to software-defined control, which allows us to provision new services faster and rapidly adjust capacity in response to traffic demand.

Our commitment to fast and reliable technologies

As demand for bandwidth and connectivity surged during the COVID-19 pandemic, our network has remained stable – supporting millions as they work, learn and socialize online. AT&T continues to invest in fiber and 5G infrastructure to enable the best connectivity experience across our broadband and wireless networks.

Fiber network connections support more bandwidth and faster uploads than standard cable – in addition to >99% proven reliability. Throughout 2021, we built fiber to 2.6 million new customer locations – the equivalent of nearly 300 connections per hour, every day. Today, more than 5.9 million businesses and households subscribe to AT&T Fiber for critical bandwidth to power video, collaboration, cloud services and more. And in 2022, we launched fiber service up to 10Gbps – the fastest offering among major internet service providers.

Since becoming the first carrier to make mobile 5G a reality in the U.S., we’ve continued to expand the quality and availability of our 5G network – which now reaches more than 255 million Americans in more than 16,000 cities. The speed and reliability of our 5G network is supported by our leading fiber footprint, which provides critical bandwidth connecting our cell towers back to the internet.

Looking ahead, we’ll continue our 5G momentum by expanding the availability of C-band spectrum (AT&T 5G+) that will support even faster connections and innovative wireless solutions.

2021 GROSS CAPITAL INVESTMENT

$21.6B

PETABYTES OF TRAFFIC PER DAY (Q4 2021)

~485

LAYER 3 CORE NETWORK UPTIME IN 2021

99.99937%

LAYER 3 CORE NETWORK AVERAGE INTERRUPTION PER CUSTOMER PORT IN 2021

3.3 seconds

2021 HOME INTERNET FOOTPRINT

~16M customer locations

EXPANDING FIBER FOOTPRINT TO

30M customer locations by 2025

EXPECT TO REACH

200M Points of presence in the U.S. with 5G C-band spectrum by the end of 2023

Climate resilience

Climate change is increasing the frequency and severity of extreme weather, worsening the risk of physical damage and operational disruptions to our network. Climate change is also contributing to longer-term shifts in environmental conditions, which we take into account as we make upgrades and extend our network reach.

To enhance the operational resilience of our network today and help ensure future availability of our services, we integrate climate change considerations throughout our network planning. Key initiatives include:

- Regular analysis to help ensure our network infrastructure, such as cell sites, data centers and wireline switching offices, can withstand natural disasters
- High-capacity battery backup or permanent generators at our cell sites, data centers and wireline switching offices, helping ensure service continuity in the event of temporary power loss
- Proactive monitoring of potential threats to our network, employees and infrastructure through the AT&T Weather Operations Center

Considering physical climate risk

To help us plan, build and maintain our network in the face of extreme weather and long-term climate change, in 2019 we developed our Climate Change Analysis Tool (CCAT). By modeling the potential for extreme weather within our geographic information system, our industry-leading CCAT helps network engineers analyze how inland and coastal flooding, drought, wind or wildfires may impact existing infrastructure or future network builds – up to 30 years into the future.

In 2021, we continued expanding CCAT’s capabilities to generate a holistic climate change risk score for additional segments of our business. For example, in 2022 our energy management teams are leveraging CCAT data as a critical input to power resiliency planning, to support the positioning of additional Bloom Energy fuel cells in the Southeast U.S.

Physical climate risk is just one consideration in our approach to environmental issues. See page 31 for additional detail on our climate-related efforts.

INVESTMENT IN OUR NETWORK DISASTER RECOVERY PROGRAM

>$650M

We’re committed to keeping our customers connected – even in the wake of unpredictable, catastrophic events. Our Network Disaster Recovery program is one of the largest and most advanced of its kind – existing solely to rapidly restore communications to areas affected by disasters.
Network and data security

Security is at the core of our operations. As the world increasingly depends on networks to communicate and conduct business, network and data security is critical for maintaining public confidence and trust.

AT&T has implemented a comprehensive security program derived from ISO 27001, COBIT (Control Objectives for Information and Related Technology) and other industry best practices. Our Chief Security Office works in conjunction with AT&T departments to evaluate threats, determine protective measures, create response capabilities and assess compliance with best practices.

Annual security awareness training is required of all employees. AT&T security analysts evaluate threats, determine protective measures, create response capabilities and assess compliance with best practices.

The AT&T Security Center for Innovation is a best-in-class incubator where security researchers work on large-scale problems in fields such as mobility and 5G, cloud computing, blockchain and Artificial Intelligence/Deep Learning/Machine Learning.

Their innovations become part of new systems and services AT&T deploys for next-generation security.

Through our AT&T Cybersecurity enterprise consulting practice, we help businesses design, deploy and manage solutions to stay ahead of evolving cyber threats. We’ve also created AT&T Cyber Awards, a resource designed to empower and educate consumers about fraud protection and cybersecurity.

Innovation

World’s First Open Threat Intelligence Community

Threat sharing in the security industry is often ad hoc and informal, filled with blind spots, frustration and pitfalls. AT&T Alien Labs™ includes a global team of threat researchers and data scientists who use propriety analytics and machine learning to analyze one of the largest and most diverse collections of threat data in the world.

The Alien Labs® Open Threat Exchange® (OTX™) is the world’s largest open threat intelligence community, helping companies and government agencies quickly share information about cyber threats—to better avoid major breaches or minimize the damage from an attack. OTX provides open access to a global community of threat researchers and security professionals. It has more than 100,000 participants in 140 countries who contribute over 19 million threat indicators daily.

OTX is free to join and enables anyone in the security community to discuss, research, validate and share the latest threat data, trends and techniques—strengthening cyber defenses while helping others do the same.

Our network investments lay the foundation for evolving technologies such as artificial intelligence (AI), machine learning, virtual reality and edge computing. These innovations are an important component of AT&T’s business success, helping attract employee talent, enhance our brand’s reputation and advance new services.

A company of our scale can’t innovate in a vacuum and remain competitive and agile in today’s market. We opened our 5G Innovation Studio in Plano, Texas to co-create 5G-centric use cases with external groups and expedite the speed of adoption. We’re also partnering with MxD, Manufacturing x Digital, as part of an innovation center for emerging digital manufacturing technologies.

Our newly established Connected Infrastructure Institute includes a collection of technology companies, universities and non-profits working to identify connectivity solutions that can help minimize negative environmental impacts. For example, Microsoft is working with AT&T in areas like 5G, AI, Internet of Things (IoT) and the cloud to develop solutions that can improve efficiency and reduce emissions and waste.

Recent AT&T innovations include:

- A hybrid private/public wireless network solution called AT&T Smart Sites that helps protect remote workers in the hospitality industry
- Monitoring and communications infrastructure innovations for utility companies, to provide deeper insights into energy operations
- Wirelessly connected legacy healthcare products, enabling new remote patient monitoring and diagnostic solutions

Average Patents per Business Day

~4

Active AT&T Patents

~12K

2021 Total R&D Spend

$1.522B

5 Year trend in R&D spend $ billions


Artificial Intelligence

AI experts use data engineering tools called “features” to predict a given outcome in an AI model. Building features is time consuming work and data scientists typically build features from scratch every time they start a new project—representing up to 80% of development time. The demand for reliable, easy-to-use and secure features is growing with the increased prevalence of AI applications in areas such as financial services, retail and software development.

AT&T and H2O.ai have built an AI feature store that enables reuse and repurposing of data engineering tools from previous projects. This allows teams to build more accurate features and enter production in hours instead of months.

At AT&T, we’re grounded in ethics, safety and value at every stage of AI. We employ a transparent approach to algorithms that includes safeguards. We use varied, validated datasets and diverse human input to achieve objectives and we monitor outcomes to ensure accuracy and help minimize biases. We also support open-source communities whenever appropriate, to advance collaboration, standardization and industry discussion.

“Feature stores are one of the hottest areas of AI development right now, because being able to reuse and repurpose data engineering tools is critical as those tools become increasingly complex and expensive to build.”

– Andy Markus, Chief Data Officer, AT&T
Customers and Communities

Privacy

Our customers expect AT&T to protect their information and respect their privacy. We maintain comprehensive network and data security protocols (page 10), train our employees on privacy at least annually and are committed to compliance with all privacy laws and regulations where we operate. We also have strong governance around the use of AI technologies, to be accountable to all our stakeholders (page 11).

Our Chief Privacy Office oversees compliance with privacy principles, policies and commitments across our business, including efforts to ensure consumers can exercise their individual rights under applicable privacy laws. Our global privacy program is based on 4 principles:

- **Transparency**: We're open and honest about how we use your data.
- **Security**: We use strong safeguards to keep your data confidential and secure.
- **Choice and control**: We give you choices about how we use your data.
- **Integrity**: We do what we say.

We create opportunities for people with disabilities to connect to the online world more easily, by requiring manufacturers to build accessibility into their products and providing consumers and employees with accessible solutions.

AT&T adopted a Universal Design Statement more than 20 years ago to reflect our commitment to digital inclusion. Our Chief Accessibility Office defines corporate standards and provides training, tools and resources to determine when and how accessibility gaps or needs should be addressed. Our Chief Accessibility Officer, who reports to our Chief Compliance Officer, oversees these efforts.

Our commitment to accessible design and inclusion begins with our employees. Through end-of-year 2021, more than 1,000 new hires and 7,000 existing employees have confidentially self-identified as having a disability.

Based on regular engagement with the disability community, such as our expert Advisory Panel on Access and Aging, our internal training programs help developers think about accessibility from the beginning of the product life cycle and help customer-facing employees better serve the needs of those with disabilities. We offer more than a dozen courses for employees to help create a more accessible workplace. And through our Accessibility and Inclusion initiative, internal volunteer teams regularly evaluate and improve accessibility for our people.

AT&T received the 2021 Corporate Leadership Award from the American Association of People with Disabilities and we were named a Leading Disability Employer by the National Organization on Disability.

Safeguarding Children

As stated in the AT&T Human Rights Policy, we’re committed to working with industry partners and stakeholders to preserve young people’s rights to freedom of expression and help safeguard them from online predators or exploitation. We support and comply with the Children’s Online Privacy Protection Act, as well as other laws governing the collection and handling of children’s data.

Our Online Safety Committee provides internal oversight and guidance on digital safety issues, including an impact assessment across our portfolio of services – to better understand risks related to potential online child exploitation and sexual abuse material. We collaborate with groups such as the National Center for Missing and Exploited Children and the WePROTECT Global Alliance, an international movement dedicated to ending child sexual exploitation and abuse online.
Today, an estimated 42 million Americans don’t have broadband internet access at home. Affordable and reliable connectivity is critical for remote work, learning and commerce – and for staying digitally connected to family, friends, news and information. Addressing the digital divide is strategically important to AT&T, as it helps drive social change while expanding our network reach and deepening valuable collaboration with communities, authorities and non-government organizations (NGOs). In 2021, AT&T announced an expanded commitment to invest $2 billion over the next 3 years to help address the digital divide. This effort includes our low-cost broadband offerings, ongoing community investments and more to help the nation’s most vulnerable communities.

Our digital divide strategy includes efforts to promote broadband affordability, availability and adoption. We’re also investing our resources and knowledge to advance the digital skills needed to thrive in the classrooms and workplaces of today and tomorrow. This work involves collaboration across our entire company – engaging teams such as Product Development, CSR, Public Policy, External and Legislative Affairs, Network Technology and Operations, Finance and Marketing.

AT&T Connected Learning

AT&T-commissioned research shows that 39% of parents and 39% of teachers say their children rely on internet connectivity outside the home. As part of our $2 billion commitment, we’ve established AT&T Connected Learning, a multi-year initiative focused on narrowing the homework gap by connecting kids across the country to high quality digital learning resources. We’re investing in digital inclusion, digital literacy and digital learning to help connect today’s students and their families with skills, tools and opportunities for success – in and out of the classroom.

We’re tracking progress toward our 2025 goal to provide 1 million people in need with digital resources by 2025. Connectivity alone is not enough to keep students engaged in learning, especially in a remote or hybrid setting. In 2021, AT&T created The Achievery in collaboration with WarnerMedia, to help make online learning more entertaining, engaging and inspiring for today’s connected students everywhere they learn. The Achievery is a free digital learning platform featuring popular entertainment content from WarnerMedia and other world class NGO and programming partners, alongside lesson plans and learning activities developed by leading education organizations.

When working to address the homework gap, helping kids also means helping parents. Together with the Public Library Association, we’ve launched a series of digital library courses to help parents and caregivers build skills and confidence using technology so they can better support their child’s online learning. Topics include using computers and mobile devices, navigating the internet and using teleconferencing tools. All are available free at digitalliteracy.att.com.

“Connectivity is not just about access, it’s also about affordability and adoption – and our nation’s most under-resourced communities need immediate solutions for overcoming barriers to access, affordability and adoption.”

– Charlene Lake, Senior Vice President, Corporate Social Responsibility and ESG, and Chief Sustainability Officer
Supporting employment opportunities

The technology and media industries need a qualified, robust and diverse talent pipeline to remain competitive in the global economy. This includes individuals with "hard" skills such as coding and data analytics as well as "soft" skills that technology cannot replace, including leadership, collaboration and effective decision-making. For that reason, AT&T is investing in programs that address the multidimensional nature of today's skills gaps to prepare people for career success.

Our 2021 contributions support organizations such as All Star Code, Code.org, Per Scholas, Roadtrip Nation and Techbridge Girls. We also contributed to programs focused on empowering girls and young women with tech and STEM skills, and increasing the representation of women in STEM careers. We support organizations including Black Girls CODE, Girls Inc., Girl Scouts and Girls Who Code.

WarnerMedia’s Access to Action provides individuals who haven’t traditionally had pathways into the entertainment industry with access to below-the-line jobs at WarnerMedia. The program fosters a more creative and inclusive production workforce and to date has placed more than 500 candidates in 4 countries on WarnerMedia film and television productions.

Our collaboration with Year Up

We’re collaborating with Year Up, an organization that prepares young people for careers while earning college credits through a year-long program. In alignment with our commitment to help narrow the digital divide, by 2023 we plan to host 200 Year Up interns and alums annually.

Since 2019, we’ve hosted 162 Year Up program participants and hired 50 former Year Up interns and alums across the country. As we move forward into a post-pandemic workplace, we look forward to accelerating efforts and bringing more Year Up interns to AT&T locations.

AT&T Year Up interns gain access to multiple departments and company platforms during their internship. They work alongside employees such as financial analysts or software engineers and can use our internal learning website, which features skills training for topics like customer service and business intelligence. We also host a regular speaker series and mentoring opportunities to build upon interns’ networking skills and experience with corporate culture.

Affordable connectivity

AT&T is driving down the cost of home internet for eligible households in our 21-state wireless footprint to the best monthly rate possible – $0. This free option is made possible by combining a new service plan from our low-cost Access from AT&T® program with federal benefits from the Affordable Connectivity Program (ACP).

Our new service plan provides internet up to 100 Mbps for $30 per month. Households that qualify for ACP also qualify for our Access from AT&T program and those that take advantage of the ACP benefit (up to $30 per month, or up to $75 per month for those on qualified Tribal lands) can then receive internet service at no monthly charge.

Connecting rural America

Many rural Americans are poorly served by fixed broadband, impacting their ability to connect with others and access products and services. Through our participation in the Federal Communications Commission (FCC) Connect America Fund (CAF) program, we’ve been working to meet the connectivity needs of customers in predominantly rural areas. Through the end of 2021, we’ve used funds from this program to help deploy, offer and maintain internet and voice services to over 11 million homes and small-business locations in FCC-identified areas of need.

We’re also working to improve connectivity in rural communities with AT&T Wireless Internet service, which provides cellular voice and internet service for homes or offices that aren’t easily reached by terrestrial network solutions.

PREDOMINANTLY RURAL LOCATIONS
REACHED BY AT&T THROUGH CAF FUNDING

>1.1M

Vanderburgh County broadband expansion

AT&T collaborates with federal, state and local government to extend broadband throughout rural America. In 2021, we announced a $39 million project with Vanderburgh County, Indiana to expand high-speed fiber broadband to more than 20,000 households and businesses – supporting a region where approximately one-third of the county population is without access to fixed broadband solutions.

Our public-private collaboration with Vanderburgh County builds on over $1 billion invested by AT&T in our Indiana wireless and wireline networks between 2018–2020.

"I discovered the Access from AT&T program. It was the segue for me to apply for benefits, look for childcare programs, look for jobs and attend training. It literally was my foundation to be able to get back on my feet."

– Ebony Ford, Access from AT&T customer in Atlanta
FirstNet is the only nationwide, high-speed broadband communications platform dedicated to America’s first responders and public safety community.

FirstNet covers more than 2.71 million square miles – reaching over 99% of the U.S. population.

We’ve launched nearly 1,000 cell sites across the country to expand rural, remote and Tribal coverage, enabling more first responders and the communities they serve to access critical communications capabilities when needed most.

For the 4th consecutive year, Frost & Sullivan has commended AT&T for innovation, market-leading performance and unmatched customer care in public safety solutions. In 2021, we earned their Public Safety Solutions Company of the Year award.

FirstNet focuses on mental health

By its very nature, emergency response is stressful. When we began the historic FirstNet initiative, we committed to ‘Be There for America’s first responders. Now, we’ve established the FirstNet Health & Wellness Coalition to support their holistic health and wellness.

Mental health is a key priority for AT&T and FirstNet, as the rates of PTSD, depression, anxiety – and even suicidal thought – among public safety personnel far exceed the general population. We’re supporting first responder mental health programs with FirstNet and by expanding access to mental health tools and resources.

FirstNet focuses on mental health

We’re committed to supporting local communities impacted by natural disasters.

When disaster strikes, AT&T and employees demonstrate our corporate value ‘Be There by assisting victims and affected communities through disaster response activities, corporate giving, volunteerism and support for impacted coworkers.

In 2021, we supported more than 200,000 individuals impacted by natural disasters such as Winter Storm Uri, historic California wildfires and the third-busiest hurricane season on record. Our community resilience efforts are motivated by our 2030 goal to help 1 million people prepare for and recover from the impacts of disasters.

Progress: Help 1 million people prepare and recover by 2030

We also proactively monitor potential nature-related threats to our network, employees and communities through our Weather Operations Center. In the event of a disaster or other emergency, we implement procedures to quickly restore network functionality, provide critical resources to impacted employees, field customer inquiries and return or establish service in the communities where we operate.

Community resilience

Enhancing consumer preparedness

Unless families have experienced natural disasters in the past, most are not fully prepared for an emergency. These are stressful and potentially life-threatening situations. And for vulnerable families, a crisis can destabilize their lives for years to come.

Planning ahead and being prepared makes people more resilient in the face of disasters. That’s why a team of AT&T employees collaborated with non-profit SBP to launch an awareness campaign for households to prepare for a disaster long before it happens.

We released the Equip app at the onset of the 2021 disaster season and are working with SBP to launch an awareness campaign and video tutorials to enhance the use and capacity of Equip even further.
Employee engagement and wellbeing

AT&T is one of the largest employers in the U.S., with approximately 202,600 employees across all 50 states and 63 countries. We strive to be an employer of choice, supporting talent attraction, engagement and wellbeing through meaningful work and competitive benefits.

Our employees deliver technology, media and telecommunications services to millions of consumers and businesses every day. We want to make AT&T a great place to work, where employees are motivated to contribute to our purpose and understand the impact of their work on customers and society.

Through initiatives such as our How We Connect culture model, we listen to our people with a view to amplifying our most effective corporate behaviors and discontinuing practices that prevent us from acting boldly, moving faster and serving customers first.

Our Employee Value Proposition

In 2021, our employee experience team launched an Employee Value Proposition to help refine our strategy around who we are as an employer, why people want to work at AT&T and what we promise to our employees. The framework articulates how AT&T employees can “connect with a world of possibilities”.

The initiative also supports our talent attraction efforts, helping describe how prospective employees can make a significant impact in their careers by serving the millions of customers and communities that rely on AT&T every day.

Employee health, safety and wellbeing

AT&T supports employee health and wellbeing through a comprehensive occupational health and safety program, benefits and wellbeing solutions.

In 2021, we began offering up to 3 weeks of paid time off to care for a child, grandchild, parent or other loved one, in qualified situations. The time can be used continuously or intermittently and resets every calendar year. Our new family planning and support services provide 24/7 virtual support for pregnancy, postpartum, loss, adoption/surrogacy and return to work.

Our medical programs offer employees and their families ways to take care of their health without going into the doctor’s office. Specialized diabetes, hypertension, weight management, physical therapy and sleep programs allow our members to manage conditions from home via connected devices, such as glucose monitors, blood pressure cuffs, scales, wearable sensors and C-PAP machines.

AT&T also offers Your Health Matters, a health and wellness program that features trending nutrition, fitness, mental wellbeing and preventative care content. Employees can build habits for success, share tips with colleagues and find motivation to pursue wellness goals.

Employee engagement and wellbeing

Connect with a world of possibilities

Unlock your potential
We provide resources, opportunities and total rewards to support your journey through a dynamic and fulfilling career.

Make meaningful connections
We value what makes you unique – and create an inclusive environment to purposefully connect with your colleagues and broader industry.

Power our collective vision
We focus on our purpose, impact and role we play in connecting millions of people across the globe to what matters most.

Serve others together
We serve our customers, communities and each other – using our strengths and expertise to make a difference.

Diversity, equity and inclusion

Training and career development

Community engagement

GLOBAL EMPLOYEES (END OF YEAR 2021)

~202.6K

OPERATIONS ACROSS

50 / 63 states / countries

Employee health, safety and wellbeing

AT&T supports employee health and wellbeing through a comprehensive occupational health and safety program, benefits and wellbeing solutions.

In 2021, we began offering up to 3 weeks of paid time off to care for a child, grandchild, parent or other loved one, in qualified situations. The time can be used continuously or intermittently and resets every calendar year. Our new family planning and support services provide 24/7 virtual support for pregnancy, postpartum, loss, adoption/surrogacy and return to work.

Our medical programs offer employees and their families ways to take care of their health without going into the doctor’s office. Specialized diabetes, hypertension, weight management, physical therapy and sleep programs allow our members to manage conditions from home via connected devices, such as glucose monitors, blood pressure cuffs, scales, wearable sensors and C-PAP machines.

AT&T also offers Your Health Matters, a health and wellness program that features trending nutrition, fitness, mental wellbeing and preventative care content. Employees can build habits for success, share tips with colleagues and find motivation to pursue wellness goals.

Employee engagement and wellbeing

Connect with a world of possibilities

Unlock your potential
We provide resources, opportunities and total rewards to support your journey through a dynamic and fulfilling career.

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AT&T also offers Your Health Matters, a health and wellness program that features trending nutrition, fitness, mental wellbeing and preventative care content. Employees can build habits for success, share tips with colleagues and find motivation to pursue wellness goals.
From our Board of Directors to front-line workers across the globe, we seek talented people who represent a mix of backgrounds, identities, abilities and experiences. This is critical to ensure the services we offer and content we create reflect the diversity and interests of society and of the world around us.

Our focus on DE&I dates back decades. In 1968, AT&T became one of the first American corporations to launch a supplier diversity program. And in 1975, we were one of the first to adopt a policy prohibiting employee discrimination based on sexual orientation.

Supporting a diverse workforce

AT&T’s diverse and inclusive workforce is a product of continuous effort to create a culture where employees from every segment of society are treated with fairness and provided equal opportunities for career advancement. In 2021, more than 59% of open positions and 53% of promotions at AT&T were filled by diverse candidates.

AT&T’s Chief Diversity and Development Officer, a member of our CSR Governance Council, leads our strategy for employee DE&I, as well as our equal employment opportunity and affirmative action policies. To promote employee engagement and cross-functional DE&I initiatives across our operating companies, we also convene 4 diversity councils, including the CEO’s Diversity Council led by our most senior executive.

We monitor indicators of employee diversity, which help us understand the makeup of our workforce across management levels and geographies. In 2021, we also enhanced the transparency of our workforce diversity by publicly releasing both AT&T and WarnerMedia Federal EEO-1 data.

Employee demographics (end of year 2021)

<table>
<thead>
<tr>
<th>WOMEN</th>
<th>U.S.</th>
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<th>U.S.</th>
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<tr>
<td>33%</td>
<td>32%</td>
<td>1%</td>
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We’ve made meaningful progress toward increased equity and inclusion:

- Diversity on screen and behind the camera

Since formalizing the industry’s first Production Diversity Policy in 2018, WarnerMedia has shown measurable progress toward increased equity and inclusion:

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<thead>
<tr>
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<tbody>
<tr>
<td>Women</td>
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<tr>
<td>36%</td>
<td>30%</td>
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<tr>
<td>People of color</td>
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<tr>
<td>28%</td>
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<table>
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<tr>
<th>On-screen representation</th>
<th>People of color</th>
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<tr>
<td>25%</td>
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<tr>
<th>Behind-the-camera representation</th>
</tr>
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<td>25%</td>
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Recognition of our DE&I efforts

We’re proud of the external recognition we receive for our dedication to DE&I. In 2021, AT&T was named to several DiversityInc specialty lists, including recognition as a company for:

- Executive Diversity Councils
- Supplier Diversity
- Mentoring
- Employee Resource Groups
- LGBT+/Employers
- Black Executives

This recognition follows our 2020 induction into the DiversityInc Hall of Fame.

Fostering an inclusive culture

AT&T recognizes a diverse workforce is most effective when supported by an inclusive culture. Our DE&I strategy includes a range of initiatives designed to create a workplace where diversity is respected, valued and celebrated.

Across the enterprise, we have more than 37 employee groups and networks with more than 146,250 memberships representing the diverse cultural and experiential dimensions of our workforce. All groups are open to all employees. Several of our employee groups, such as Mujeres en Acción and Pulse of India, specifically engage employees outside of the U.S. In 2021, we launched Faith@Work to bring employees together for education and dialogue on religious diversity, plus interfaith collaboration and community engagement.

These organizations exemplify our company’s commitment to DE&I through efforts in the workplace, marketplace and community – while focusing on members’ professional development and opportunities for community service.

Employee group memberships

>145K

Over the past year we also launched the Equality First app, which encourages employees to gain new perspectives and get to know each other better through guided discussions.

The platform also features a podcast series, employee videos and a tool to help participants access and build their understanding of social bias.

Our support for DE&I business collaboration

AT&T recognizes the injustices and social inequities often faced by Black Americans, including higher unemployment levels. To help address these challenges, we joined the OneTen coalition – a group of corporations pledging to collectively hire 1 million Black Americans by 2030.

Beyond our own workforce, we’re committing our corporate influence to champion equity and combat injustices that impact employees in the communities we serve. AT&T supports:

- The Business Coalition for the Equality Act – a group of U.S. employers supporting the addition of LGBT+/individuals to groups afforded basic protections under U.S. federal law
- The United Nations (U.N.) Standards of Conduct for Business, which offer a holistic framework of best practices to help combat discrimination based on sexual orientation and gender identity globally
- The U.N. Women’s Empowerment Principles, signaling our commitment to promoting gender equality and women’s empowerment in the workplace, marketplace and community
- The Hispanic Promise, a first-of-its-kind national pledge to hire, promote, retain and celebrate Hispanics in the workplace

"We have a longstanding value of standing for equality, which starts by demonstrating diversity, equity and inclusion within our own workplace."

— Corey Anthony, Senior Vice President, Chief Diversity and Development Officer

Diversity, equity, and inclusion (DE&I)
Training and career development

- AT&T invests in employee development programs to train – and retain – a skilled and capable workforce.

Our internal training organization, AT&T University, works across our business to create and deliver best-in-class training, helping develop diverse leadership and energize our workforce to drive innovation.

We assess the effectiveness of our training initiatives by measuring employee performance and career progression, as well as our ability to fill positions internally. Our metrics show that those who take part in our training and development initiatives are:
- more likely to receive a higher performance rating at the end of the year
- more likely to receive a higher key contributor award at the end of the year
- more likely to move laterally
- less likely to leave the company

Targeting training to employee needs

We seek innovative ways to develop our people with the right training opportunities. Our Real Time Training program delivers small-bite content to individual employees, to improve role-specific key performance indicators (KPIs). We identify who needs training and when, as well as which training solution is most likely to drive the greatest performance improvement for an employee’s respective KPIs. In 2021, approximately 1,950 employees received real time tutorial recommendations, resulting in:
- ~4.3K incremental new customers
- ~$4.5M in incremental annual revenue

Monitoring training effectiveness

We monitor employee training through a platform called the Personal Learning Experience (PLE), where employees book, complete and log online courses. PLE also features a skills assessment tool to help employees identify their competencies, see what jobs are available within the company, and whether demand in that particular area is projected to grow or decline in the years ahead.

- In 2020, Chief Learning Officer magazine awarded AT&T Organization of the Year and the Editor’s Choice Award for Best in Learning Execution.

Community engagement

- AT&T BelievesSM combines our employees’ generosity of time and resources with AT&T’s longstanding external relationships, corporate contributions and foundation grants, to make a difference in our communities.

In 2021, we launched AT&T Believes in Spain and Belgium, adding to more than 40 U.S. and international markets where we’re making a positive impact.

We’re advancing opportunities in education, careers and quality of life through initiatives that help bridge the digital divide, build job skills and provide basic necessities in times of crisis. In 2022, through AT&T Believes our employees will begin tutoring and mentoring learners at AT&T Connected Learning Centers across the U.S. (page 15).

Internal research shows that employees participating in volunteerism and other community engagement initiatives are more likely to recommend AT&T as a place to work, stay at AT&T longer and feel better about working for the company. We’ve set a target to engage 50% of our employees worldwide in communities through grassroots volunteerism and giving initiatives by 2030. In 2021, AT&T employees volunteered more than 443,838 hours in community outreach activities – valued at more than $12 million.1

Progress: Engage 50% of employees in volunteerism and giving by 2030

- AT&T’s community engagement efforts and philanthropic giving – including corporate contributions and foundation grants – support initiatives that promote academic success, provide job skills training, drive innovation, empower women and underrepresented communities and respond to worldwide disasters and emergencies.

- In 2021, AT&T Believes facilitated a skilled and capable workforce.

- In 2016, over 1,500 employees were recognized for their 2020 volunteer time. We also highlighted 22 international employees who volunteered 100 hours or more in 2020.

- In 2021, membership grew by over 20%. Today, more than 1,500 employees are helping raise awareness of home-based environmental behaviors everyone can bring back to work. The program includes:
  • An online portal that inspires employees to connect, learn, share and act
  • A platform for purchasing discounted environmentally friendly products
  • A challenge and awards system that encourages employees to complete activities and missions that are beneficial to the environment and help develop habits that further environmental sustainability

- In 2021 HOURS DEVOTED TO SKILLS TRANSFORMATION TRAINING2
  ~670K

- MANAGEMENT EMPLOYEE ENGAGEMENT2 IN SKILLS TRANSFORMATION TRAINING2
  ~58%

- INVESTED IN EMPLOYEE TRAINING AND DEVELOPMENT PROGRAMS IN 20213
  $158M

- HOURS OF EMPLOYEE TRAINING IN 20213
  15M

- EMPLOYEES REACHED IN 20213
  >210K

- INVESTMENT IN EMPLOYEE TUITION ASSISTANCE IN 20214
  >$13M

- 2021 HOURS DEVOTED TO SKILLS TRANSFORMATION TRAINING2
  ~670K

- 2021 CORPORATE AND AT&T FOUNDATION DONATIONS5
  $202.05M

- 2021 AVERAGE GIVING PER EMPLOYEE DONOR5
  $382

- VALUE OF 2021 EMPLOYEE VOLUNTEERISM6
  $20.9M

- EMPLOYEE VOLUNTEER HOURS5
  >430K
Suppliers

A resilient and sustainable supply chain

ESG and the supplier lifecycle

Our resilient and responsible supply chain

- AT&T enhances its resilience by integrating ESG factors into supplier evaluation and selection. We’re also extending our environmental and social impact by reviewing our suppliers’ operations and encouraging them to set GHG emissions targets.

- Supply chain ESG integration
  We expect supplier business operations to be conducted in compliance with sustainability and diversity clauses in our contracts, which require conformance with the AT&T Principles of Conduct for Suppliers (Principles) and the AT&T Human Rights Policy. We require suppliers to verify adherence to our Principles through a self-attestation process every 18-24 months.
  
  Annually, we engage suppliers representing 80% of spend with sustainability assessments developed through both CDP and the Telecommunications Industry Association. These assessments, which cover a range of ESG factors such as environmental management, circular economy, stakeholder engagement and a supplier’s management of its own supply chain, support our ability to integrate sustainability metrics into sourcing decisions. In addition, through our participation alongside peer telecom companies in the Joint Audit Cooperation, we engage suppliers at risk of non-compliance with social standards – such as child or forced labor, health and safety, freedom of association, working hours or compensation – in on-site audits and corrective action plans.

- Geographic risk mitigation
  In recent years, the world’s supply chain has faced unprecedented disruption. Surprisingly, past geopolitical events helped ensure AT&T was better prepared. 2018 U.S. tariffs on Chinese goods illustrated the risks associated with geographic supplier concentration and incentivized many of our suppliers to diversify their manufacturing footprint and reduce reliance on materials from a single country. To meet such challenges, AT&T began enhancing visibility into where our suppliers – and their suppliers – concentrate manufacturing of key products and components. This intelligence makes us better prepared for unforeseen events, such as the COVID-19 pandemic, and helps us achieve an industry-leading cost structure balanced with geographic risk mitigation.

Reducing supplier emissions
As part of our work to reduce GHG emissions beyond AT&T’s own footprint, we set a science-based target to ensure 50% of our suppliers have, or will, set their own science-based Scope 1 and Scope 2 GHG targets by 2024.20

THROUGH 2021

47% of suppliers have set science-based targets

Progress:
Ensure 50% of suppliers adopt science-based GHG targets by 2024

Enhancing supplier diversity
In 1968, AT&T became one of the first U.S. corporations to have a supplier diversity program. Diverse suppliers bring value through unique skills and innovative ideas. Our program connects specialized internal supplier diversity managers with our sourcing teams to assist minority-, woman-, veteran-, LGBTQ+- and disability-owned enterprises around the U.S. with opportunities to provide products and services to AT&T. Our annual goal for supplier diversity spend is to surpass $10 billion in total procurement expenditures.

CLOSE TO

$214B procured with minority-, woman-, veteran-, LGBTQ+- and disability-owned enterprises since 1968

Read more:  Responsible Supply Chain Issue Brief
Business Continuity, Longevity & Innovation Issue Brief
Human Rights Issue Brief - AT&T Supplier Diversity website

2021 TOTAL SPEND ON GOODS AND SERVICES
>$60B

GLOBAL SUPPLIERS ACROSS 65 COUNTRIES
>20K

2021 SPEND WITH DIVERSE SUPPLIERS
$13.3B

Read more: Responsible Supply Chain Issue Brief
Business Continuity, Longevity & Innovation Issue Brief
Human Rights Issue Brief - AT&T Supplier Diversity website

2021 SPEND ON GOODS AND SERVICES
>$60B

GLOBAL SUPPLIERS ACROSS 65 COUNTRIES
>20K

2021 SPEND WITH DIVERSE SUPPLIERS
$13.3B
ESG and the supplier lifecycle

Supplier principles and collaboration
AT&T suppliers are expected to comply with sustainability and diversity clauses in our contracts, which also require conformance with our AT&T Principles of Conduct for Suppliers and the AT&T Human Rights Policy. We work with organizations such as Global Enabling Sustainability Initiative to improve performance across the value chain and drive achievement of U.N. Sustainable Development Goals.

GHG emissions reduction
We expect our suppliers to reduce their environmental footprint and to set GHG emissions targets. AT&T set a 2024 science-based target to ensure 50% of our suppliers (as a portion of spend) set their own science-based Scope 1 and Scope 2 GHG targets.

Supplier diversity
Our Supplier Diversity organization connects certified diverse minority-, woman-, veteran-, LGBTQ+ and disability-owned business enterprises with opportunities to provide products and services to AT&T. Our annual goal is to surpass $10 billion in diverse spend.1

Attestation and assessments
We require suppliers to verify adherence to our Principles of Conduct for Suppliers every 18–24 months. Additionally, we annually engage suppliers representing 80% of spend with ESG assessments developed through both CDP and the Telecommunications Industry Association. These assessments support our ability to integrate sustainability metrics into sourcing decisions.

Emissions targets and performance
We participate in the CDP supply chain program to analyze data on suppliers’ emissions reduction goals and progress over time, and to reinforce the importance of supplier sustainability disclosures.

Diverse supplier spend
We evaluate our total spend with diverse suppliers in an effort to drive impactful and meaningful change in their communities through overall economic empowerment and growth.

IN 2021
202 suppliers reported their greenhouse gas (GHG) emissions through the CDP supply chain program.

IN 2021
82% of suppliers by spend are engaged through ESG assessments.19

IN 2021
$13.3B of our total supplier spend was with certified-diverse businesses.3

Supplier screening and contracting
Risk screening is an important part of our supplier selection process. Our strategy includes training AT&T sourcing managers on the principles of sustainability and diversity, requiring compliance with contractual sustainability and diversity clauses for tier 1 and 2 suppliers, and monitoring supplier sustainability and diversity performance at varying frequencies based on high-risk activities analysis.

Preferred supplier program
AT&T’s Preferred Supplier Program allows us to recognize high-performing suppliers that have demonstrated a commitment to focus areas such as diversity and environmental sustainability. We incorporate these factors into sourcing decisions:
- Sustainability metrics such as GHG targets and emissions, waste management and water intensity
- Diversity and inclusion metrics reflecting supplier workforce ethnic and gender diversity.

Audits and corrective action planning
Collaborating with peer telecom companies in the Joint Audit Cooperation (JAC), we conduct on-site audits and develop corrective action plans for suppliers at risk of noncompliance with social standards, such as child or forced labor, health and safety, freedom of association, working hours or compensation.

Supplier engagement on GHG emissions reduction
AT&T set a 2024 science-based target to ensure 50% of our suppliers (as a portion of spend) set their own science-based Scope 1 and Scope 2 emissions targets. We work with key suppliers individually to help set their targets and encourage continuous improvement in their emissions reduction work.

Support and acceleration programs for diverse suppliers
We offer executive-level education and scholarships to support CEOs of diverse-owned businesses. Our Supplier Diversity organization sponsors the Business Growth Acceleration Program, a mentoring series that helps diverse-owned businesses thrive in today’s market. We also offer an early payment program to provide qualified suppliers with flexible financing options.

IN 2021
JAC audits identified 402 corrective actions and closed ~71% of all identified corrective actions – including ~65% rated as minor, ~33% rated as major, and ~9% flagged for priority.

IN 2021
47% of suppliers by spend have set their own science-based Scope 1 and Scope 2 greenhouse gas emissions targets.20

TO DATE
participants in our supplier financing program included:
- 38 certified minority- and women-owned enterprises
- 84 certified minority enterprises
- 41 certified disabled-veteran enterprises
- 7 certified disabled-veteran enterprises
AT&T and climate change

AT&T is extending our positive environmental impact and optimizing the resilience of our business through enhancements in resource efficiency and efforts to protect our network and stakeholders from environmental risk.

Climate-related strategy, metrics and targets

The global transition to a low carbon economy presents risks and opportunities for AT&T and broader society. We’re working to reduce our carbon emissions, while enabling solutions that can help our customers and communities transition to net zero.

We’re committed to becoming carbon neutral across our global operations by 2035.

Progress: Achieve net zero Scope 1 and 2 GHG emissions by 2035.

To demonstrate transparency and credibility, we’re working to reduce Scope 1 and 2 GHG emissions 63% by 2030 (2015 base year) – a science-based target aligned with a 1.5°C pathway.

Progress: Reduce Scope 1 and 2 GHG emissions 63% by 2030.

The increasing frequency and severity of extreme weather presents risks for our network that could negatively impact our business, customers and communities if not managed well. Page 9 provides more information on how we integrate physical risk into our network resilience efforts.

Natural disasters also have direct impacts on our employees, customers and communities – with disproportionately greater impacts in disadvantaged areas. Page 19 provides more information on how we support disaster relief efforts across our communities.

Climate-related oversight and governance

The Governance and Policy Committee of the AT&T Board of Directors oversees the entirety of AT&T’s environmental and climate-related strategy, including emissions reduction objectives, consumption of electricity and water, investments in renewable energy, and waste management.

The Audit Committee oversees AT&T’s internal enterprise risk assessment activities and audit functions, which incorporate climate-related risks and disclosures.

Our Chief Sustainability Officer leads internal management of AT&T’s environmental and climate-related strategy, risks and opportunities.

Our President – Network Engineering and Operations has responsibility for the resilience of our network, including energy and water use, and oversees the management of climate-related impacts to our operations. This includes our commitments to renewable energy, network disaster response and business continuity planning.

Our Senior Vice President (SVP) – Audit Services oversees the integration of ESG issues, including environmental and climate-related impacts, into corporate enterprise risk assessment activities.

Read more: TCFD Report • CDP Climate Change disclosure • Climate Change Policy Energy Policy • Climate Change Issue Brief • SASB Index

Read more: 2022 Proxy Statement • Our Corporate Governance Issue Brief
AT&T is helping facilitate the global transition to net zero through emissions-reducing solutions for our operations, customers, employees and communities.

Reducing a gigaton of emissions
We're helping customers improve their environmental footprint by driving adoption of AT&T broadband-enabled technologies that can reduce GHG emissions, such as online collaboration tools and IoT solutions for fleet, asset and building energy management.

In 2021, we announced the AT&T Gigaton Goal to deliver connectivity solutions that enable customers to collectively reduce a gigaton (1 billion metric tons) of GHG emissions between 2018-2035. 1 gigaton is approximately equal to 99% of 2020 U.S. GHG emissions, nearly 3% of 2020 global energy-related emissions or 16 billion flights from Los Angeles to New York.12 Our gigaton goal recognizes that connectivity has a role in helping our customers mitigate climate change, at scale.

AT&T-enabled customer GHG emissions reductions measured between 2018–2021 total 110.3 million metric tons of CO₂e – approximately 11% attainment toward our gigaton goal.13

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<thead>
<tr>
<th>Progress: Gigaton Goal (1 billion metric tons of GHG emissions between 2018-2035)</th>
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<tr>
<td>110.3 million metric tons of CO₂e</td>
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<td>1 billion</td>
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Traxen IQ-Cruise™
Traxen IQ-Cruise is an AI-informed adaptive cruise control solution that delivers an average 10% increase in fuel efficiency, in addition to improved safety and driver satisfaction. Using AT&T IoT connectivity, Traxen collects topography, traffic and end-of-route congestion data to help drivers operate their vehicle’s engine and transmission at a highly efficient rate.

Badger Meter
Badger Meter, a provider of smart water solutions including flow measurement and water quality devices, utilizes AT&T IoT connectivity to help customers collect near real-time data to drive efficiency, reduce costs and enable conservation throughout their water distribution networks. By helping identify water leaks quickly, avoiding trips to read or power meters on or off, and arming households with water usage data, Badger Meter helps reduce wasted water and related emissions.

SunPower®
SunPower, a U.S.-based solar technology and energy services provider, uses AT&T IoT connectivity to optimize the production of renewable energy and enhance operational efficiencies. SunPower works with AT&T to help monitor solar panels and battery storage, giving solar customers greater visibility into system performance and more control over how and when they use stored energy.

AT&T Connected Climate Initiative
As part of our efforts to achieve our gigaton goal in 2021 we formed the Connected Climate Initiative (CCI) to convene the brightest minds from leading technology companies, AT&T Business customers, universities and non-profits. We’re working to identify best practices, develop new products and use cases, and scale the innovations of startup partners building 5G- and other broadband-enabled climate solutions.

We’re making impact on a global scale by collaborating with businesses such as Microsoft, Equinix and Duke Energy. In addition, we’re leveraging innovation from research universities including Texas A&M University, the University of Missouri and Purdue University. And we’re actively exploring partnerships with others, as well.

Internally, we’ve formed a “tiger team” with representatives from our CSR and AT&T Business organizations that meets regularly to build AT&T sales team expertise and customer engagement on climate-related issues, recruit new CCI partners and identify opportunities to increase AT&T revenue.

In 2022, we launched a training course available to all employees, introducing CCI and explaining how AT&T can help customers address climate change.

Connected Climate Initiative Focus Areas

Collaboration
Collaborating with technology leaders to bring to market new scaled product offerings that enable business progression and emissions reduction.

Research
Investing in research with leading universities to explore how 5G can enable emissions reductions in key areas like transportation, energy and manufacturing.

Solutions
Delivering connectivity-driven solutions to help our AT&T Business customers reduce emissions.

Distribution
Fueling innovation and disruptive technologies that use connectivity to fundamentally change how work gets done.

"AT&T has a track record of delivering sustainability results within our own large-scale operations and for our business customers across industries."
– Anne Chow, CEO, AT&T Business
**Toward carbon neutrality**

- **AT&T is working to reduce our GHG emissions by enhancing operational efficiency, reducing energy use and increasing our renewable energy commitments.**

  We're committed to becoming carbon neutral, achieving net zero Scope 1 and 2 GHG emissions by 2035. Our carbon neutral ambition is underpinned by our Climate Strategy & Transition Plan, which guides our work to reduce emissions across all areas of our business.

  We've also launched a science-based target to reduce Scope 1 and 2 GHG emissions 63% by 2030 (2015 base year) – aligning with a 1.5°C pathway. Between 2015-2021, we reduced reported Scope 1 and 2 GHG emissions 37.2%, reaching nearly 59% attainment toward our 2030 target.

  Our efforts to improve energy efficiency (page 35) also influence water use, given the water requirements of our cooling equipment. We track water use at our facilities using the AT&T Water Scorecard, which helps identify water-saving opportunities (page 36).

  **Progress:** Reduce Scope 1 and 2 GHG emissions 63% by 2030

  Progress: 37.2% 63%

  **Progress:** Achieve net zero Scope 1 and 2 GHG emissions by 2035

  Progress: 37.2% Carbon neutral

**Leadership accountability for carbon neutrality**

Annual performance objectives for our Chief Sustainability Officer, AVP – Global Environmental Sustainability and other senior leaders across our business include progress toward our carbon neutral goal, science-based targets and other climate-related objectives. This means our leading environmental initiatives are considered when determining annual merit salary increases and bonus awards for these individuals.

**Optimizing energy efficiency**

Energy efficiency is an important part of our net zero strategy, because Scope 2 GHG emissions derived from sources such as purchased electricity account for the majority of our total emissions footprint. Our focus on energy efficiency has delivered consistent reductions in carbon emissions, while contributing cost savings to the business.

Our energy management efforts focus on 3 pillars:

- **Reductions and right-sizing:** eliminating unnecessary load by removing obsolete assets and properly aligning capacity commensurate with demand

- **Optimization:** incorporating energy-efficient systems and practices into infrastructure and monitoring performance to address maintenance deficiencies and opportunities

- **Investment:** purchasing large-scale renewable energy contracts that deliver clean energy to local grids and reduce our reported Scope 2 emissions

For over a decade, we’ve invested in energy efficiency initiatives – such as the ongoing integration of our centrally-managed Energy and Building Management Solution – that have made a measurable impact on our energy use. Between 2010-2021, we’ve implemented more than 151,000 energy efficiency projects resulting in annualized savings of nearly 81 billion kWh and annualized energy cost savings of more than $735.5 million.

**Transitioning to a low-emissions fleet**

More than 52% of our Scope 1 emissions come from our ground vehicle fleet. We expect to lower fleet emissions at least 76% by 2035 (2015 base year) by implementing technologies such as EVs to maximize vehicle efficiency and optimize routes, as well as customer self-service solutions that can minimize the need to dispatch technician vehicles.

Through the end of 2021, our fleet emissions have decreased 131,386 MT CO\(_2\)e – down 20.6% from our 2015 base year. We achieved these reductions despite expanding our ground fleet to support the build-out of our fiber and 5G networks.

We’re reducing vehicle count in targeted portions of our fleet and plan to incorporate hybrid/electric technician vehicles to cut our emissions and reduce pollution in the communities where we operate. As part of these preparations, in 2020 AT&T became a founding member of the Corporate Electric Vehicles Alliance, working with other companies to identify the challenges and opportunities involved in adding electric fleet vehicles.

In 2021, we formed an internal cross-departmental committee to collaboratively advance our fleet vehicle strategy. We began developing an Electric Vehicle (EV) Transition Master Plan that will map expected progress over the next 10 years, identify needed utility upgrades and site-specific readiness efforts and inform the procurement of EV supply equipment and EVs.

**Virtualizing network functions**

Over the last several years, we’ve shifted 100% of our layer 3 core network to software-defined control. This includes replacing significant portions of specialized network equipment with lower-cost, energy-efficient hardware that can virtualize many network processing functions. As a result, we’ve been able to deploy new network capabilities faster, while using less energy and lowering our GHG footprint.

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“In addition to reducing our emissions footprint, AT&T is investing in renewable energy because it is good for the planet and good for our business. Our approach allows us to hedge against changes in energy costs and support economic development in communities we serve.”

– Joe Taylor, Vice President, Global Infrastructure Optimization and Implementation
Water management

Water is a shared resource that's vital for environmental sustainability and economic prosperity. AT&T focuses on water efficiency to reduce costs and enhance our resilience, and to help preserve the availability of water in our communities.

Water is a critical input for our operations. 53% of our domestic water consumption occurs at locations where most of the water usage helps maintain the controlled and cooled environment required by our communications network.25

We track water use and savings opportunities at our facilities with the AT&T Water Scorecard. We consolidate or reduce building space, where feasible, which has reduced potable water consumption 42%, conserving 232.19 million gallons.

We've incorporated smart irrigation and rainwater collection systems into the AT&T Discovery District housing our Dallas headquarters. Our headquarters building also has water harvesting systems that collect and filter condensate from our air conditioning systems, for landscape irrigation. In 2021, this harvesting system saved more than 27 million gallons.

Saving water through smart building management

In 2021, AT&T expanded use of our Energy and Building Management Solution (EBMS) to support energy and water efficiency at 1,030 total facilities. Leverage IoT and Big Data principles, our EBMS helps property managers ensure equipment is operating optimally, reducing mechanical cooling needs and associated water consumption.

Through our work with HydroPoint, we remotely monitor our irrigation systems in real time. HydroPoint’s solutions allow us to retrofit legacy systems to reduce water consumption an average of 40%. We’ve installed HydroPoint solutions at 133 facilities since 2017 and in 2021, this solution helped us save 74 million gallons of water.

Water intensity: gallons/$ thousand revenue26

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
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Water intensity: gallons/individual subscriber27

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<th>Year</th>
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<td>11.75</td>
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Waste management

AT&T is committed to reducing and responsibly handling the waste we produce from our operations and the products we sell.

Our operations generate various types of waste – including general solid waste, e-waste, retired network infrastructure and office furnishings, and hazardous waste. Our approach to waste management involves reuse and recycling programs, as well as initiatives to reduce our overall waste footprint.

In 2021, we collaborated with third-party waste vendors to expand our pilot IoT-enabled dumpster monitoring program. The program uses sensors to inform our waste vendors when dumpsters are full, eliminating pick-up of partial loads. By routing trucks to dumpsters only when necessary, we’re minimizing disposal costs and reducing hauling-related carbon emissions.

Our 30x30 initiative

Based upon learnings from our previous 100-facility zero waste program, in 2021 we set an expanded goal to reduce the amount of U.S. waste sent to landfill 30% by 2030 (2019 base year). This “30x30” initiative addresses our entire waste footprint across more than 3,000 sites and is anticipated to exceed the impact of our 100-facility effort by 104 times, based on weight. In 2021, our landfill footprint decreased 26.5% from our 2019 base year – achieving 89% of our “30x30” goal.

Progress: Reduce amount of U.S. waste sent to landfill 30% by 203028

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<thead>
<tr>
<th></th>
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<td>26.5%</td>
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</table>

Keeping consumer e-waste from landfill

We believe all electronic devices should be reused, refurbished or recycled. We work to keep electronic materials out of landfill through reuse programs – including a free portal for consumers to recycle old equipment. In 2021, we recovered more than 21 million electronic devices including mobile phones, internet gateways and television set top boxes. This “30x30” initiative addresses our entire waste footprint across more than 3,000 sites and is anticipated to exceed the impact of our 100-facility effort by 104 times, based on weight.

In 2021, our landfill footprint decreased 26.5% from our 2019 base year – achieving 89% of our “30x30” goal.

Progress: Reduce amount of U.S. waste sent to landfill 30% by 203028

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Reducing infrastructure waste

The AT&T Global Connections and Supply Chain Investment Recovery group establishes practices that minimize the environmental impact of our internal waste and e-waste. This team works with R2-certified vendors to recover and recycle network infrastructure assets.

Network materials such as copper wire, fiber-optic cable and central office equipment are dismantled, sorted and baled by commodity in preparation for sale or recycling. Scrap fiber-optic cable can be shredded and milled to become components of roofing materials or burned for resaleable steam energy.

In 2021, the Investment Recovery group handled more than 183 MT of domestic U.S. operational waste and kept more than 18 MT of these materials from landfills. This equates to a 98.8% diversion rate, a slight increase from 97.6% in 2020.
Governance

ESG integration across AT&T operations

Board oversight

Our commitment to ESG requires strong Board engagement. The Governance and Policy Committee (GPC) assists the Board in oversight of AT&T’s ESG strategy, including related policies, programs and ESG reporting. In addition to discussions with individual GPC members throughout the year, our Senior Vice President (SVP) – Corporate Social Responsibility (CSR) and ESG, who also is our Chief Sustainability Officer (CSO), presents on relevant topics and is present at all GPC meetings for ESG dialog. In 2021, the predecessor to the GPC (the Public Policy and Corporate Reputation Committee) held 3 regularly scheduled meetings discussing topics such as: DE&I, privacy, digital divide, social innovation, supply chain responsibility, climate transition, ESG reporting, political contributions and charitable contributions.

The Audit Committee oversees compliance with legal and regulatory requirements, as well as internal enterprise risk assessment and audit functions which incorporate ESG risks and disclosures. Our Chief Compliance Officer and SVP – Audit services each meet with the Audit Committee 4 times per year.

We thank Samuel A. DiPiazza, Jr. (Audit Committee; Public Policy and Corporate Reputation Committee) and Debra L. Lee (Public Policy and Corporate Reputation Committee) for their service, as they leave the AT&T Board to serve on the Warner Bros. Discovery Board of Directors.
Our Executive Vice President and General Manager, Wireline, SUSAN JOHNSON, and the Executive Vice President and Chief Technology Officer, LEN CALI, serve as our CSR Governance Council (Council) Chairs. The Council includes 20 senior leaders and managers from across our business. The Council is led by our CSO and comprises more than a dozen officers representing business operations and management functions aligned to our most important ESG focus areas. In addition to ad hoc meetings, the Council held 3 regularly scheduled meetings in 2021, discussing topics such as ESG reporting, digital divide, social innovation, climate transition, political contributions, DE&I, and long-range goal setting and social issue engagement.

In addition to the Council, we convene 5 core issue committees: Community, Employee Activation, Environment, Human Rights and Online Safety. These committees are led by senior CSR leaders and work closely with experts throughout our operating companies to implement or enhance programs and policies that address ESG issues across AT&T.

Executive oversight

Our CSO oversees internal management of ESG strategy, risks, and opportunities. Our SVP – Audit Services oversees internal enterprise risk assessment activities and audit functions, including analysis of ESG risks and disclosures, and associated processes, controls, and assurance.

Our CSR Governance Council (Council) is led by our CSO and comprises more than a dozen officers representing business operations and management functions aligned to our most important ESG focus areas. In addition to ad hoc meetings, the Council held 3 regularly scheduled meetings in 2021, discussing topics such as ESG reporting, digital divide, social innovation, climate transition, political contributions, DE&I, and long-range goal setting and social issue engagement.

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In 2021, the U.S. Congress passed the Infrastructure Investment and Jobs Act, which will invest an unprecedented $65 billion into our country’s broadband future – significantly augmenting private industry’s investment of nearly $80 billion in 2020 alone.16

AT&T supports smart investments that foster economic growth and improved productivity. We commend the Biden Administration and Congress for paving the way to universal connectivity in underserved areas, making broadband more affordable for low-income households and providing more resources for digital equity and adoption.

“...innovate to foster economic growth and create shareholder value. Our engagements are designed to improve the fabric of society and put the possibility of a better future in the hands of people in our communities.”

— John Stankey, AT&T CEO

Infrastructure Investment and Jobs Act

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“...innovate to foster economic growth and create shareholder value. Our engagements are designed to improve the fabric of society and put the possibility of a better future in the hands of people in our communities.”

— John Stankey, AT&T CEO
ESG material topics and reporting

Ongoing stakeholder engagement is a critical part of our ESG approach, helping us adapt to changing external risks and opportunities. Organizations across AT&T – such as CSR, External Affairs, Investor Relations and Finance – meet and collaborate with our stakeholders throughout the year.

Our approach to ESG reporting

AT&T’s ESG reporting practice is led by a dedicated team within our CSR organization, with the leadership of our CSR, External Affairs, Investor Relations and Finance departments. Each year, we engage hundreds of subject matter experts and business unit leaders across the company to prepare, review and continuously enhance our reports. Our annual ESG Summary is reviewed by the CSR Governance Council and senior executives prior to publication. ESG disclosures are further validated by our internal finance organization and select environmental calculations – such as energy use and GHG emissions – are externally assured by an independent third party.

We seek to deliver a comprehensive reporting suite featuring consistent and comparable metrics. We are aligned with the Global Reporting Initiative (GRI) standards since 2007, to communicate our approach to ESG reporting.

ESG Assessments

- AT&T has been a constituent of the 3BL Media 100 Most Corporate Citizens list for the past 10 years.
- AT&T has been named to the Bloomberg Gender Equality Index for the past 6 years, earning an A- score each year.
- AT&T has scored a perfect 100% on the Human Rights Campaign Corporate Equality Index.
- AT&T is ranked 18th overall for the past 12 years, AT&T has scored at the Leadership level for the CDP Climate Change assessment for the past 6 years, and has been the only U.S.-based telecommunications services provider on the Dow Jones Sustainability Index (DJSI) North America.
- For the past 16 years, AT&T has scored at the Leadership level of the Value Reporting Foundation. We align with the U.N. Global Compact Change assessment. We also report in alignment with the U.N. Global Compact Change assessment. We also report in alignment with the U.N. Global Compact Change assessment.

2021 ESG material topics

The matrix below summarizes the results of our 2021 ESG materiality assessment. The 4 quadrants of the matrix represent levels of relative importance to AT&T and our stakeholders. Topics ranking higher with our stakeholders generate more external engagement and help ensure long-term business success. Topics ranked lower are considered important and impactful to our business.

We recognize the dynamic nature of these topics over time, and as part of our ongoing governance we continuously monitor pressing and emerging ESG issues and current events. We prioritize programmatic and managerial efforts on those issues, as appropriate.

ESG materiality assessment

Every 2–3 years, we systematically engage a broad sampling of internal and external stakeholders to identify and prioritize the most significant ESG impacts, risks and opportunities that should be addressed to help ensure long-term business success. This assessment provides insight into how AT&T should focus our resources, reporting and communications. We monitor our leading ESG topics, which are used to inform our priorities.

We completed our most recent assessment in Q4 2021, incorporating input from AT&T officers and hundreds of employees, investors, regulators, customers, suppliers, industry groups, NGOs and other external collaborators.

The results of our assessment are incorporated into internal enterprise risk assessment activities and reported to company officers, the CSR Governance Council, GPC and Audit Committee. The insights gleaned from stakeholder engagement efforts help guide our corporate responsibility strategy, improve our business operations and policies, ensure transparent reporting and prioritize programmatic investments and collaboration across the business.

Importance to management and impact to AT&T business success

<table>
<thead>
<tr>
<th>Importance to stakeholders</th>
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<th>TO THE BUSINESS</th>
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<td>Digital Divide and Affordability</td>
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<td>Business Continuity</td>
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<td>Product Lifecycle Management and E-Waste</td>
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<td>Responsible Marketing, Advertising and Other Transparency</td>
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<td>Board Oversight of ESG</td>
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<td>Supply Chain Responsibility, Sustainability</td>
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<td>Water Use</td>
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<td>Public Policy Influence and Political Contributions</td>
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<td>Talent Attraction, Engagement and Retention</td>
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<td>Climate Change and GHG Emissions</td>
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<td>Employee Diversity, Equity and Inclusion</td>
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<td>Leadership and Board Effectiveness</td>
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<td>Technology and Innovation</td>
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<td>Board Leadership and Composition</td>
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<tr>
<td>Resilience and Business Continuity</td>
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<td>Business Ethics/Ethical Culture</td>
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<td>Internet Governance and Digital Freedom</td>
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<td>Disaster Response and Relief</td>
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<td>Regulatory Compliance</td>
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<td>Human Rights</td>
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<td>Labor Relations</td>
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Progress toward our goals

Customers and Communities

<table>
<thead>
<tr>
<th>Topic</th>
<th>Target Year</th>
<th>Target</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Divide</td>
<td>2023</td>
<td>Invest $2 billion by EOY 2023 to help bridge the digital divide.</td>
<td>Launched AT&amp;T Connected Learning and expanded low-cost broadband offerings.</td>
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<td>As part of our $2 billion digital divide commitment, we introduced AT&amp;T Connected Learning, a multi-year initiative investing in digital inclusion, literacy and education to help connect today’s learners with skills, resources and opportunities for success — in and out of the classroom. By the end of 2022, we will launch more than 20 AT&amp;T Connected Learning Centers in under-resourced neighborhoods facing barriers to connectivity. AT&amp;T is also participating in the FCC Affordable Connectivity Program (ACP), which provides a benefit on broadband service for eligible households. Through a new Access from AT&amp;T service plan – households taking advantage of the ACP benefit (up to $30 per month, or $75 per month for those on qualified Tribal lands) can receive internet service at no monthly charge.</td>
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<tr>
<td>Connected Learning</td>
<td>2025</td>
<td>By 2025, provide 1 million people in need with digital resources through AT&amp;T Connected Learning.</td>
<td>Engaged more than 72,000 individuals. Through 2021, we engaged more than 72,000 individuals through digital inclusion initiatives such as partnerships to provide refurbished devices to low-income students and families, resources to support digital learning and literacy, and investments in programs that boost employment opportunities.</td>
</tr>
<tr>
<td>Internship Opportunities</td>
<td>2023</td>
<td>Host 200 Year Up interns and alums annually.</td>
<td>Hosted Year Up Interns and created career opportunities. Since 2019, we’ve hosted 162 Year Up program participants and hired 50 former Year Up interns and alums across the country. As we move further into a post-pandemic workplace, we look forward to accelerating efforts and bringing more Year Up interns to AT&amp;T locations.</td>
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</tbody>
</table>

Disaster Preparedness & Recovery | 2030 | Beyond emergency response and network disaster recovery, help 1 million people prepare for and recover from the impacts of disasters. | Supported more than 200,000 individuals impacted by natural disasters. In 2021, through strategic partnerships, we supported the delivery of connectivity solutions, humanitarian relief and resiliency and recovery services serving more than 200,000 individuals impacted by Winter Storm Uri, historic California wildfires and the third-busiest hurricane season on record. For example, connectivity solutions provided by the Information Technology Disaster Resource Center included network infrastructure and Wi-Fi hotspots, as well as cellphones and medical charging solutions to support survivors, public safety personnel and responding NGOs. |

Suppliers

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<thead>
<tr>
<th>Topic</th>
<th>Target Year</th>
<th>Target</th>
<th>Progress</th>
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</thead>
<tbody>
<tr>
<td>Sustainable Sourcing Standards</td>
<td>2025</td>
<td>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™</td>
<td>Integrated sustainability performance metrics for 82% of spend™ AT&amp;T Global Connections and Supply Chain continues to require suppliers to adhere to our Principles of Conduct for Suppliers through our Supplier Portal and contract agreements. In 2021, we led 4 on-site supplier factory audits as a member of the Joint Audit Cooperation. We continue to incorporate sustainability-oriented standards and analyses into sourcing decisions, including the insertion of sustainability clauses into requests for proposal (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.</td>
</tr>
<tr>
<td>Science-Based GHG Emissions Targets</td>
<td>2024</td>
<td>Work to ensure 50% of our suppliers (covering purchased goods and services, capital goods, and downstream leased assets as a portion of spend) set their own science-based Scope 1 and 2 GHG targets.</td>
<td>47% of suppliers have set science-based GHG emissions targets through the end of 2021, 47% of our suppliers by spend have set science-based GHG targets — 54% attainment toward our goal.</td>
</tr>
</tbody>
</table>

Employee Volunteerism & Giving | 2030 | Engage 50% of our employees worldwide in communities through grassroots volunteerism and giving initiatives. | 30% of employees engaged in volunteerism and giving. Through a variety of corporate community engagement opportunities, employees donate time and money or make other personal commitments to their communities. In 2021, 30% of our workforce engaged in volunteerism and giving through AT&T.™ |
**Environment**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Target Year</th>
<th>Target Description</th>
<th>Progress</th>
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</table>
| GHG Emissions                 | 2030        | Reduce absolute Scope 1 and 2 GHG emissions1 and 2, 63% (2015 base year) – aligning with a 1.5°C pathway. (Approved by the Science Based Targets initiative in 2021) | Reduction of 37.2%¹²  
2021 Scope 1 and 2 emissions were 5,547,709 metric tons of CO₂e. This represents a 37.17% reduction from our 2015 base year (8,829,258 metric tons of CO₂e) – 39.0% attainment toward our Scope 1 and 2 science-based target.¹³  
(Approved by the Science Based Targets initiative in 2021.) |
| Carbon Neutrality             | 2035        | Achieve carbon neutrality (net zero Scope 1 and 2 emissions)⁴                        | Reduction of 3,281,549 metric tons of CO₂e⁴  
2021 Scope 1 and 2 emissions were 5,547,709 metric tons of CO₂e. This represents a reduction of 3,281,549 metric tons from our 2015 base year (8,829,258 metric tons of CO₂e) – 37.2% attainment toward our net zero target.⁴ |
| Customer Emissions Reduction  | 2035        | Deliver connectivity solutions that enable business customers to reduce a gigaton (1 billion metric tons) of GHG emissions between 2018–2035. | Enabled 110.3 million metric tons of customer emissions savings  
AT&T-enabled customer GHG emissions reductions measured between 2018 and 2021 total 110.3 million metric tons of CO₂e – approximately 11% attainment toward our gigaton goal.¹¹ |
| Landfill Diversion            | 2030        | Reduce the amount of U.S. waste we send to landfill 30% (2019 base year)             | Reduction of 26.5%¹⁰  
2021 waste sent to landfill is 112,166 metric tons. This represents a reduction of 40,541 metric tons from our 2019 base year (152,707 metric tons). We will continue monitoring performance to determine whether COVID-19-related impacts are temporarily speeding our progress.¹⁰ |
| Water Use in Stressed Areas   | 2030        | Achieve 15% reduction (2019 base year) in U.S. water use in areas of high and extremely high water stress. | Progress Ongoing  
AT&T continues to pursue our 15% water use reduction target in areas designated as high or extremely high water-stressed environments. Progress is ongoing and AT&T is currently reviewing historical water consumption data to ensure its quality. We will report progress toward our water goal upon completion of that work.¹² |

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**Key performance indicators**

**Employee Development**  
$944M  
Investment since 2017 in indirect employee training and development programs⁷

**Diverse Supplier Procurement**  
$70.1B  
Spend since 2017 with businesses owned by minorities, women, LGBTQ+ people and those with disabilities³⁹

**Energy Cost Savings**  
$319.9M  
Annualized energy cost savings since 2017 from energy savings projects²³

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**Customers and Communities**

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
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<th>2018</th>
<th>2019</th>
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<th>2021</th>
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<tbody>
<tr>
<td>Capital expenditures</td>
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<tr>
<td>Energy cost savings</td>
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<td>Supplier diversity</td>
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<tr>
<td>Employee participation</td>
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<tr>
<td>Average employee giving</td>
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<tr>
<td>AT&amp;T philanthropic giving</td>
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**Suppliers**

- **Supplier diversity**  
  Supply chain spend with business enterprises owned by minorities, women, veterans, LGBTQ+ people and those with disabilities³ ($ billion)

---

**Capital expenditures**

- Investment in networks, platforms or systems²² ($ billion)

---

**Energy cost savings**

- Annualized energy cost savings since 2017 from energy savings projects²³ ($ billion)

---

**Employee participation in volunteer programs⁶⁶ (%)**

- Average employee giving per donor³⁹ ($)

---

**AT&T philanthropic giving**

- Total corporate and AT&T Foundation giving²⁶³⁶ ($ million)

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**Read more:**

- Greenhouse Gas Emissions Issue Brief
- Climate Change Issue Brief
- Waste Management Issue Brief
## Employees

### Union jobs
Percentage of union represented employees (approximate)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>46</td>
<td>40</td>
<td>40</td>
<td>77</td>
<td>77</td>
</tr>
</tbody>
</table>

### Employee safety
OSHA total recordable occupational injury and illness rate (per 100 employees)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1.86</td>
<td>2.01</td>
<td>1.90</td>
<td>1.89</td>
<td>1.89</td>
</tr>
</tbody>
</table>

### Employee training investment
Direct employee training and development programs ($ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>40</td>
<td>2.07</td>
<td>200</td>
<td>1.90</td>
<td>200</td>
</tr>
</tbody>
</table>

## Environment

### U.S. Scope 1, 2 and 3 carbon footprint
GHG emissions (metric tons of CO₂)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>10,776.69</td>
<td>11,639.22</td>
<td>12,035.87</td>
<td>11,081.01</td>
<td>10,419.31</td>
</tr>
</tbody>
</table>

### Global Scope 1, 2 and 3 carbon footprint
GHG emissions (metric tons of CO₂)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>9,702.73</td>
<td>10,827.26</td>
<td>11,098.14</td>
<td>9,387.35</td>
<td>8,614.71</td>
</tr>
</tbody>
</table>

### Emissions intensity
Scope 1 and 2 emissions relative to revenue (metric tons of CO₂e/$ billion revenue)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.10</td>
<td>0.11</td>
<td>0.13</td>
<td>0.11</td>
<td>0.13</td>
</tr>
</tbody>
</table>

### Electricity use
Global direct billed and leased electricity (MWh, million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>116</td>
<td>114</td>
<td>94</td>
<td>113</td>
<td>109</td>
</tr>
</tbody>
</table>

### Annualized energy cost savings from energy projects ($ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>36.61</td>
<td>28.31</td>
<td>25.99</td>
<td>26.70</td>
<td>24.76</td>
</tr>
</tbody>
</table>

## Environment (continued)

### Energy intensity
Relative to annual revenue (MWh electricity/$ billion revenue)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>13.81</td>
<td>12.69</td>
<td>14.12</td>
<td>11.75</td>
<td>11.80</td>
</tr>
</tbody>
</table>

### Water intensity
Relative to subscribers (gallons/1,000 subscribers)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>12.82</td>
<td>14.42</td>
<td>11.25</td>
<td>11.52</td>
<td>11.90</td>
</tr>
</tbody>
</table>

### Total waste managed (metric tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>201,395</td>
<td>191,665</td>
<td>245,645</td>
<td>250,081</td>
<td>100,001</td>
</tr>
</tbody>
</table>

### Waste recycled or reused (percentage)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>33.36</td>
<td>37.45</td>
<td>40.05</td>
<td>42.93</td>
<td>24.71</td>
</tr>
</tbody>
</table>
Supply Chain organization within AT&T Communications.

In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein. Further information is included in our Form 8-K dated January 26, 2022. This compares to 2020 reported earnings per diluted share of ($1.75) and adjusted earnings per diluted share of $1.18. Further information is included in our Form 8-K dated January 26, 2022.

Inclusive of AT&T Corporate and AT&T Communications.

Scope 1 emissions include direct emissions from sources owned or controlled by the company (such as the fleet).

Scope 2 emissions include indirect emissions that result from the generation of purchased energy.

Reflects the activities of the AT&T Global Connections and Supply Chain organization within AT&T Communications.

For full-year 2021 revenues, excluding impacts of the U.S. Video business and Vrio, of $153.2 billion are calculated as operating revenues of $150.9 billion, minus Vrio operating revenues of $2.6 billion, plus WarnerMedia sales for content and advertising of $2.5 billion that are external sales transactions. Note: In July 2021, we completed a transaction with TPG Capital involving our North America video business – including DIRECTV, AT&T TV and U-verse – to form a new company called DIRECTV. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein. In April 2022, we completed a transaction to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc.

Device recycling and reuse data cover AT&T Inc. U.S. operations only.

2019–2021 data for waste generation and management represent all waste accounted for through AT&T Inc.'s domestic U.S. general solid waste, investment recovery, e-waste, furniture recycling, paper shredding, pallet recycling and regulated (hazardous and nonhazardous) waste programs, unless otherwise noted.

2017–2018 data inclusive of AT&T Communications and WarnerMedia's U.S. operations. DIRECTV and Vrio data are not included. Note: In April 2022, we completed a transaction to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc.

2017 total does not include WarnerMedia.

Inclusive of AT&T Communications.

These incidents are employee injuries and illnesses that are required to be documented on the OSHA 300 log.

2017–2020 data inclusive of AT&T Communications and WarnerMedia’s U.S. operations.

As of December 31, 2021, 81.5% of AT&T's sites use well water. Intensity is relative to the number of AT&T employees in the overall AT&T workforce (including WarnerMedia). 2020–2021 data inclusive of AT&T Corporate and AT&T Communications.
Endnotes (continued)

37 2021 data is inclusive of DIRECTV and Vrio. Carbon footprint does not include supplier emissions. Note: Variances between 2017-2018 may be attributed to the addition of WarnerMedia to our operations and footprint. In July 2021, we completed a transaction with TPG Capital involving our North America video business — including DIRECTV, AT&T TV and U-verse — to form a new company called DIRECTV. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.

38 2021 data is inclusive of DIRECTV and Vrio. Carbon footprint does not include supplier emissions. Intensity is relative to the number of our subscribers (North America wireless, wireline voice and domestic broadband), as identified in our 2021 4th Quarter Earnings Statement. Note: Variances between 2017-2018 may be attributed to the addition of WarnerMedia to our operations and footprint. In July 2021, we completed a transaction with TPG Capital involving our North America video business — including DIRECTV, AT&T TV and U-verse — to form a new company called DIRECTV. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.

39 2021 data is inclusive of DIRECTV and Vrio. Electricity is a subset of total energy. Electrical energy represents approximately 82% of total AT&T energy consumption globally. Other forms of energy include steam, chilled water and all types of fuel use. Note: In July 2021, we completed a transaction with TPG Capital involving our North America video business — including DIRECTV, AT&T TV and U-verse — to form a new company called DIRECTV. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.

40 2021 data is inclusive of DIRECTV and Vrio. Electricity use is the numerator and is a proxy for total energy use. Note: In July 2021, we completed a transaction with TPG Capital involving our North America video business — including DIRECTV, AT&T TV and U-verse — to form a new company called DIRECTV. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.

41 2021 data is inclusive of DIRECTV and Vrio. Electricity use is the numerator and is a proxy for total energy use. Intensity is relative to the number of our subscribers (North America wireless, wireline voice and domestic broadband), as identified in our 2021 4th Quarter Earnings Statement. Note: In July 2021, we completed a transaction with TPG Capital involving our North America video business — including DIRECTV, AT&T TV and U-verse — to form a new company called DIRECTV. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.

42 Consumer device recycling and reuse and product take-back data cover AT&T Inc. U.S. operations only. DIRECTV data is included for 2021 only, through July 2021. Note: In July 2021, we completed a transaction with TPG Capital involving our North America video business — including DIRECTV, AT&T TV and U-verse — to form a new company called DIRECTV.

43 2017-2018 data for waste generation and management represent all waste accounted for through AT&T Inc.'s domestic U.S. general solid waste, investment recovery and hazardous waste programs. The 2019-2021 data for waste generation and management represent all waste accounted for through AT&T Inc.'s domestic U.S. general solid waste, investment recovery, e-waste, furniture recycling, paper shredding, pallet recycling and regulated (hazardous and nonhazardous) waste programs, unless otherwise noted.

ESG Recognition

3BL Media
100 Best Corporate Citizens, 2011-2022

Bloomberg
Gender equality index, 2018-2022

CDP
Climate Change Leadership Level (A-); 2016-2021

CPA-Zicklin
Index of Corporate Political Disclosure and Accountability Trendsetter, 2019-2020
100% score; 2021

Disability:IN
100% Disability Equality Index; 2021

DiversityInc
Top Companies for ESG; 2020-2021
Hall of Fame; 2019-2022

Dow Jones Sustainability Index North America 2010-2013, 2017-2021

Ethisphere
World’s Most Ethical Companies; 2020-2022

Fortune

Hispanic Association on Corporate Responsibility
Corporate Inclusion Index; 2009-2021

Human Rights Campaign
Corporate Equality Index; 2004-2022

JUST Capital
America’s Most JUST Companies (JUST 100); 2018-2022
Top 100 Companies Supporting Healthy Families and Communities; 2019, 2021

National Organization on Disability
Leading Disability Employer; 2017-2021

Newsweek
America’s Most Responsible Companies; 2020-2022

Points of Light
The Civic 50; 2012-2021
The AT&T ESG reporting website provides comprehensive ESG disclosure additional to this ESG Summary:

- 2022 Proxy Statement
- ESG reporting indexes (GRI, SASB, UNGC, UN SDGs)
- ESG issue briefs
- ESG material topics assessment
- TCFD report
- CDP Climate Change disclosure
- Diversity, Equity & Inclusion (DE&I) report
- Political engagement report
- Transparency report

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att.com/csr