ESG Summary
March 2022

The value of connectivity
AT&T Values

Live true
Do the right thing, no compromise.

Think big
Innovate and get there first.

Pursue excellence
In everything, every time.

Be there
When customers & colleagues need you most.

Stand for equality
Speak with your actions.

Make a difference
Impact your world.

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.

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.

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.

Whether it’s restoring service during a natural disaster or helping a community recover from hardship, that’s when we’re at our best.

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.

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.

The AT&T Values

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Note: Certain environmental, philanthropic, or diversity, equity and inclusion metrics in this report may be estimated or reflect FY2020 performance, as specified in associated text or end notes. An updated version of this report including final FY2021 metrics will be published on our ESG reporting website in May 2022.

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

This report reflects the global operations of AT&T, Inc., except where otherwise noted.

In May 2021, we entered into an agreement to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc. The transaction is subject to approval by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022. 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 December 2021, we entered into an agreement with Microsoft to sell our programmatic advertising marketplace component of Xandr Inc. The transaction is subject to customary closing conditions, including regulatory reviews.
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 intersect 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 LearningSM 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 15% 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
Chie Executive Officer, AT&T Inc.
March 23, 2022
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.

Financial

Financial resources available to us, and the strength of our balance sheet.

Network

The physical infrastructure that supports our world-leading communications network.

Brand and Intellectual Capital

Our brand, our reputation and our capacity for innovation.

Employees

Our ~202,600 employees, located across 50 states and 63 countries.

Customers and Communities

Our millions of customers and the local communities where we live and work.

Suppliers

Our supply chain of more than 20,000 suppliers across the globe.

Environment

The energy, water and other natural resources that we use to create and preserve 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 its unique position as a trusted 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 enhance shareholder value. We’re squarely focused on profitability and achieved 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.

2021 financial results

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.

Customer growth across mobility and broadband

- Total U.S. Mobility Subscribers
- U.S. Postpaid Phone Subscribers
- AT&T Fiber Connections

Communications segment operating contribution by business unit

- Mobility
- Business Wireline
- Consumer Wireline

AT&T and Shareholders

2021 financial results

$153.2B

$26.8B

56%
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 5 years (2016-2021), we’ve invested more than $115 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.

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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.

Supporting the resilience of public infrastructure

Over the last 2 years, we’ve been sharing data developed for CCAT with municipalities and other organizations, to help inform climate resilience efforts beyond our network and operations. For example, our work with the New York Power Authority (NYPA) is exploring the similarities in climate-related risk to utility and telecommunications infrastructure, to help New York State become more resilient to extreme weather. This effort builds upon collaborations with additional organizations such as EcoRise and the National Fish & Wildlife Foundation National Coastal Resilience Fund.

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.

Wireless solutions.

C-band spectrum (AT&T 5G+) that will support even faster connections and innovative wireless solutions.

Looking ahead, we’ll continue our 5G momentum by expanding the availability of 5G network, by Global Wireless Solutions’ OneScore survey.

In 2021, AT&T was named best network overall for the 4th consecutive year, and best 5G network, by Global Wireless Solutions’ OneScore survey.

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

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.

AT&T ESG SUMMARY REPORT 2022

Read more: 2021 Annual Report  •  SASB Index  •  Network Quality & Reliability Issue Brief

See page 31 for additional detail on our climate-related efforts.

Read more: TCFD Report  •  CDP Climate Change disclosure  •  Climate Change Issue Brief

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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 also produce an educational program called AT&T ThreatTraq. This recurring online series provides another dimension of security training and awareness through weekly webinars open to employees and the public.

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.

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 proprietary analytics and machine learning to analyze one of the largest and most diverse collections of threat data in the world.

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.

Innovation

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

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 these tools become increasingly complex and expensive to build.”

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

Our customers expect AT&T to protect their information and respect their privacy. We maintain comprehensive network and data security protocols, 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.

Privacy

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.

Read more:  Privacy Issue Brief •  Network and Data Security Issue Brief

Read more:  AT&T Accessibility website •  Accessibility Issue Brief

Privacy and Accessibility

Digital divide

FirstNet

Community resilience

Privacy

Accessibility

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.

Read more:  Privacy Issue Brief •  Network and Data Security Issue Brief

Read more:  AT&T Accessibility website •  Accessibility Issue Brief
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 35% 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 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 through AT&T Connected Learning. 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.

**Progress:** Provide 1 million people in need with digital resources by 2025

>72,000

**$2B committed to address the digital divide**

**Digital Inclusion**

In 2021, we began opening the first of more than 20 AT&T Connected Learning Centers planned in under-resourced areas across the country – including neighborhoods in Atlanta, Cleveland, Dallas, Detroit, Houston, Los Angeles, Miami and San Francisco. Each center is housed within a local community organization and provides students and families with free access to high-speed Wi-Fi, computers and technical resources. AT&T employees volunteer at the centers and through digital platforms to provide learners with tutoring and mentoring opportunities.

To help students and families participate in virtual learning and gain digital literacy skills, the centers offer educational content through our joint initiative with WarnerMedia, The Achievement™ (see below), plus digital literacy training developed in collaboration with the Public Library Association, Dell Technologies donations of computers and monitors with integrated audio and webcams, and the systems are configured by Overland-Tandberg, a Black-owned technology company that is part of AT&T’s supplier diversity program (page 27).

Through March 2022, we’ve opened 8 Connected Learning Centers. As additional centers open, we’ll begin reporting the number of students served.

**Progress:** Open 20 Connected Learning Centers by 2023

**Digital Learning and Literacy**

AT&T Connected Learning includes digital learning and literacy initiatives to help students, parents and families make the most of broadband connections. Connectivity alone is not enough to keep students engaged in learning, especially in a remote or hybrid setting. In 2021, AT&T created The Achievement in collaboration with WarnerMedia, to help make online learning more entertaining, engaging and inspiring for today’s connected students everywhere they learn. The Achievement 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 literacy 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.

Through AT&T’s SeniorReadySM, we’re also helping parents and caregivers create the right online experience for their families, with information such as how to set parental controls on connected devices – plus online safety and digital parenting tips from experts including Common Sense Media, Family Online Safety Institute and others.

**Progress:** Open 20 Connected Learning Centers by 2023

**Read more:**  Digital Divide Issue Brief • Community Engagement Issue Brief • Safeguarding Children Issue Brief • Responsible Use of Products and Services Issue Brief

“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.”

~ Charlene Lake, Senior Vice President, Corporate Social Responsibility and ESG, and Chief Sustainability Officer

**Digital Literacy and Learning Website Visits**

>21K
Digital divide

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 further 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 – $9. 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.

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’s 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.
FirstNet is the only nationwide, high-speed broadband communications platform dedicated to America's first responders and public safety community.

Built by AT&T in public-private partnership with the First Responder Network Authority, 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.

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 Health & Wellness Coalition to support their holistic health and wellness.

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. AT&T is committed to working with strategic non-profit partners to provide solutions across all phases of the disaster lifecycle, including resiliency preparedness and long-term recovery.

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’re focused on empowering people to prepare, protect and recover when natural disasters strike.

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.

We released the Equip app at the onset of the 2021 disaster season and are working with SBP to launch an awareness campaign.

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, a social impact organization focused on disaster resilience and recovery, to develop the Equip app.

By combining easy-to-use tools, shareable resources and expert advice consolidated in one place, Equip makes it simple and engaging 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.
Diversity, equity and inclusion (DE&I)

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: 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 and WarnerMedia® Chief Enterprise Inclusion Officer, both members of our CSR Governance Council, lead 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 Diversity Council led by our most senior executive.

Employee demographics (end of year 2020)

<table>
<thead>
<tr>
<th>Category</th>
<th>U.S.</th>
<th>Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>34.3%</td>
<td>33.6%</td>
</tr>
<tr>
<td>Individuals with disabilities</td>
<td>7K U.S.</td>
<td>45.8%</td>
</tr>
<tr>
<td>LGBTQ+ Individuals</td>
<td>~3.2K U.S.</td>
<td>~12.5K</td>
</tr>
<tr>
<td>Veterans</td>
<td>~27K</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
- LGBTQ+ Employees
- 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 DEI 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 145,250 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.

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 LGBTQ+ 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

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:

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Women</td>
<td>Since 2019</td>
<td>Since 2019</td>
</tr>
<tr>
<td>On-screen representation</td>
<td>36%</td>
<td>30%</td>
</tr>
<tr>
<td>Behind-the-camera representation</td>
<td>28%</td>
<td>27%</td>
</tr>
<tr>
<td>People of color</td>
<td>Since 2019</td>
<td>Since 2019</td>
</tr>
<tr>
<td>On-screen representation</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td>Behind-the-camera representation</td>
<td>25%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Recognition of our efforts:
IN 2021, AT&T RECEIVED A 100% score on the Disability Equality Index for the 7th consecutive year.

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

– Corey Anthony, Senior Vice President, Chief Diversity and Development Officer
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 deliver best-in-class training, helping develop diverse leadership and energize our workforce to drive innovation.

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 activations 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.

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

AT&T Believes℠ combines our employees’ generosity of time and resources with AT&T’s long-standing 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.

Community engagement

We encourage employees to reduce their personal environmental footprint and launch the Environmental Champions program in 2020, as an employee-led platform for those with a passion to protect the environment. 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
Suppliers

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 noncompliance 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.

AT&T’s resilient and sustainable supply chain

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.

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.

MORE THAN $213B procured with minority-, woman-, veteran-, LGBTQ+- and disability-owned enterprises since 1969
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 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.

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.

AT&T’s approach to ESG in the supply chain is designed to mitigate risk and enhance positive impact across the supplier lifecycle. This diagram categorizes key mechanisms according to:

- Supplier screening and contracting
- Supplier engagement on GHG emissions reduction
- Supplier principles and collaboration
- ESG operational integration
- Supplier diversity
- Supplier engagement on GHG emissions reduction
- Supplier principles and collaboration
- ESG operational integration
- Supplier diversity

IN 2021
- 202 suppliers reported their greenhouse gas (GHG) emissions through the CDP supply chain program.
- 80% of suppliers by spend are engaged through ESG assessments.
- $13.2B of our total supplier spend was with certified-diverse businesses.

OVER
- 250 suppliers have GHG targets and are engaged through ESG assessments.

IN 2021
- JAC audits identified 402 corrective actions and closed ~71% of all identified corrective actions.

TO DATE
- 47% of suppliers by spend have set their own science-based Scope 1 and Scope 2 greenhouse gas emissions targets.
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 (page 34).

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

36.4% (estimated)

Carbon neutral

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 (page 34).

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

36.4% (estimated)

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.

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

Climate-related oversight and governance

The Public Policy and Corporate Reputation 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 commitment 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.
OVERVIEW

AT&T and projected climate-impact data from resilience strategies, leveraging to develop climate adaptation and efficiency and emissions reduction improvements for operational environmental impact and identify team to help customers review their Sustainability Professional Services consulting group launched a

In 2022, our professional services expertise. We’ve learned our solutions have the greatest impact when supported by the right technology and energy services strategies, leveraging projected climate-impact data from CCAT (page 19).

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. We’re measuring this impact through a methodology developed in collaboration with Carbon Trust and BSR.

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 15% of 2020 U.S. GHG emissions, nearly 3% of 2020 global energy-related emissions or 1.6 billion flights from Los Angeles to New York.21 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.22

<table>
<thead>
<tr>
<th>Progress: Gigaton Goal (1 billion metric tons of GHG emissions between 2018-2035)</th>
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</thead>
<tbody>
<tr>
<td>110.3 million</td>
</tr>
<tr>
<td>1 billion</td>
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</table>

AT&T Gigaton Goal website

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 36.4%, reaching nearly 57% 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 35).

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

  

  

  

  

  

  

  

  

  

  +36.4% (estimated)

  63%

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

  

  

  

  

  

  

  

  

  

  +36.4% (estimated)

  +0%

  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 considerations when determining annual merit salary increases and bonus awards for these individuals.

  

  Real more: Greenhouse Gas Emissions Issue Brief

  Energy Management Issue Brief

  Climate Strategy & Transition Plan

  Climate Change Issue Brief

  TCFD Report

  SASB Index

  More than 52% of our Scope 1 emissions come from our ground vehicle fleet. We expect to lower fleet emissions at least 75% by 2035 (2015 base year) by implementing technologies such as LEVs 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 182,975 MT CO2e – down 20% 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.

  Transitioning to a low-emissions fleet

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  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 dimming 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 $731 million.

  *Tangible results from energy efficiency activities*

  - Energy savings (right axis)
  - Energy consumption (left axis)

  - Energy projects implemented (cumulative)

  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’re able to deploy new network capabilities faster, while using less energy and lowering our GHG footprint.

  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 cool environment required by our communications network. 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. AT&T and Warner Bros. Studios in Burbank, CA, use recycled water for landscape irrigation. Water recycling efforts, such as enhancements to cooling systems, also positively impact water consumption by 267 million gallons since 2013. Our efforts to improve energy efficiency (page 35), such as enhancements to cooling systems, also positively impact our water use.

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Water recycling efforts
At Warner Bros. Studio Lot in Burbank, CA, we use recycled water for landscape irrigation and in select cooling towers. Since 2013, the Studios have 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 a water harvesting system that collects and filters condensate from our air conditioning systems, for landscape irrigation. In 2021, this harvesting system saved more than 664,000 gallons of water. These water savings efforts helped the AT&T Discovery District earn SITES Silver certification, which recognizes sustainable and resilient land development projects.

Saving water through smart building management
In 2021, AT&T expanded use of its Energy and Building Management Solution (EBMS) to support energy and water efficiency at 1,030 total facilities. Leveraging 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.

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 26.7% from our 2019 base year—achieving 89% of our “30x30” goal.

Progress: Reduce amount of U.S. waste sent to landfill 30% by 2030

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. Leveraging 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.

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 resalable steam energy.

In 2021, the Investment Recovery group handled more than 15.6 metric tons (MT) of domestic U.S. operational waste and kept more than 15.4 MT of these materials from landfills. This equates to a 98.7% diversion rate, a slight increase from 97.6% in 2020.
ESG integration across AT&T operations

- ESG issues represent risks, opportunities and important external impacts we consider in our strategy and operations. Our approach to ESG is integrated into our business through Board of Directors oversight, officer-level leadership of ESG initiatives across relevant departments and collaboration among dedicated teams of corporate responsibility professionals and subject-matter experts throughout the company.

Board oversight

Our commitment to ESG requires strong Board engagement. The Public Policy and Corporate Reputation Committee (PPCRC) assists the Board in oversight of AT&T’s ESG strategy, including related policies, programs and ESG reporting. In addition to discussions with individual PPCRC 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 PPCRC meetings for ESG dialog.

In 2021, the PPCRC 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.

Governance

- ESG integration across AT&T operations
- Political engagement transparency
- ESG material topics and reporting

INDEPENDENT BOARD CHAIR SINCE

2021 23%

BOARD DIRECTORS WHO IDENTIFY AS FEMALE (2022)

30%

BOARD DIRECTORS WHO IDENTIFY AS PEOPLE OF COLOR (2022)

24.6%

SENIOR LEADERS WHO IDENTIFY AS FEMALE (2020)

39.3%

SENIOR LEADERS WHO IDENTIFY AS PEOPLE OF COLOR (2020)

24.6%
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, 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.

CSR Governance Council

CHRISTIE HAUBECKER
Executive VP, Corporate Communications and Chief Enterprise Inclusion Officer – WarnerMedia

SUSAN JOHNSON
Executive VP, Global Connections and Supply Chain – AT&T Communications

K.C. KAVANAUGH
Chief Communications Officer

TOM MOORE
Senior VP, Chief Compliance Officer and Chief Privacy Officer

AMIR ROZWADOWSKI
Senior VP, Finance and Investor Relations

VALERIE VARGAS
Senior VP, AT&T Advertising and Retail Marketing

RICK WELDAY
Executive VP, General Manager, Broadband and Video, AT&T Consumer – AT&T Services

Political engagement transparency

We strive to bring our customers the innovation they demand, provide shareholders value on their investment and take seriously the important role that we can play in the health of our society. Our mission to connect people to greater opportunities manifests in our employee volunteerism, corporate and employee philanthropy, our company’s culture of diversity, equity and inclusion, employee benefits and our many corporate responsibility programs that address social and environmental needs. These actions and commitments are designed to improve the fabric of society and put the possibility of a better future in the hands of people in our communities.

Our corporate mission also requires us to actively participate in the political process because federal, state and local laws have a significant impact on our employees, communities, customers and other stakeholders. We engage in a transparent and bipartisan manner, to advocate for policies that support U.S. economic stability and growth; resilient infrastructures; technological progress and access to connectivity; and opportunity for our employees. These issues affect our ability to hire, pay good wages, provide world-class benefits, serve our customers, make capital investments, innovate to foster economic growth and create shareholder value. Our engagements include advocacy and lobbying, corporate political contributions, memberships in trade associations, contributions to other tax-exempt organizations and employee political action committee (PAC) contributions.

Elected officials hold varied and diverse views on a wide range of issues, reflecting those of our broader society. Contributions made by the company or its employee PACs to an individual or political organization do not mean the company or its employee PACs support or agree with every position taken by the contribution recipient, but rather general alignment with our policy priorities.

Our biannual Political Engagement Report discloses our U.S. political contributions. Since 1999, we’ve received the leading “trendsetter” designation from the CPA-Zicklin Index of Corporate Political Disclosure and Accountability. And in 2021, AT&T was among only 6 companies to receive a 100% score.

2021 CPA-ZICKLIN INDEX OF CORPORATE POLITICAL DISCLOSURE AND ACCOUNTABILITY

100% Score

(1 of only 6 companies)

Infrastructure Investment and Jobs Act

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.31

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.
ESG material topics and reporting

Ongoing stakeholder engagement is a critical part of our ESG approach, helping us adapt to change by anticipating emerging 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 under the leadership of our CSO, with additional oversight by the PP&CRC and Audit Committee. Each year, we engage hundreds of subject matter experts and business unit approvers 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’ve aligned 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’ve aligned.

ESG Assessments

- AT&T has been a constituent of the Dow Industrial 100 Best Corporate Citizens list for the past 10 years.
- AT&T has been named to the Bloomberg Gender Equality Index for 5 consecutive years, since its 2018 expansion beyond the financial services sector.
- AT&T has scored at the Leadership Level for the CDP Climate Change assessment for the past 6 years, earning an A- score each year.
- For the past 5 years, AT&T has been the only U.S.-Based telecommunications services provider on the Dow Jones Sustainability Index (DJSI) North America.
- For the past 12 years, AT&T has scored a perfect 100% on the Human Rights Campaign Corporate Equality Index.
- For 2022, AT&T is ranked 18th overall on the JUST Capital list of America’s 100 most just companies. We’ve been recognized on the list since its 2018 inception.

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 our company should address to help ensure long-term business success. This assessment provides insight into how AT&T should focus our investments and collaboration across the business.

2021 Material ESG 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 greater outside engagement and more frequent external communication. Top business priorities necessitate increased collaboration across our business. All topics are considered important and impactful to our business and we recognize the dynamic nature of these topics over time. As part of our ongoing governance, we continuously monitor pressing and emerging ESG issues and current events and prioritize programmatic and managerial efforts on those issues, as appropriate.
## 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>2024</td>
<td>Invest $2 billion by 2024 to help bridge the digital divide.</td>
<td>Launched AT&amp;T Connected Learning and expanded low-cost broadband offerings</td>
</tr>
<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</td>
</tr>
<tr>
<td>Internship</td>
<td>2023</td>
<td>Host 200 Year Up interns and alums annually.</td>
<td>Hosted Year Up interns and created career opportunities</td>
</tr>
</tbody>
</table>

### Suppliers

<table>
<thead>
<tr>
<th>Topic</th>
<th>Target Year</th>
<th>Target</th>
<th>Progress</th>
</tr>
</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 80% of spend&lt;sup&gt;+&lt;/sup&gt;</td>
</tr>
<tr>
<td>Supplier 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</td>
</tr>
</tbody>
</table>
Environment

<table>
<thead>
<tr>
<th>Topic</th>
<th>Target Year</th>
<th>Target</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG Emissions</td>
<td>2030</td>
<td>Reduce absolute Scope 1 and 2 GHG emissions 63% (2015 base year) – aligning with a 1.5°C pathway. (Approved by the Science Based Targets initiative in 2021.)</td>
<td>Estimated 36.4% reduction(^4) 2021 estimated Scope 1 and 2 emissions were 5,679,367 metric tons of CO(_2)e. This represents an estimated 36.4% reduction from our 2015 base year (8,829,258 metric tons of CO(_2)e) – an estimated 57.8% attainment toward our Scope 1 and 2 science-based target.(^4)</td>
</tr>
<tr>
<td>Carbon Neutrality</td>
<td>2035</td>
<td>Achieve carbon neutrality (net zero Scope 1 and 2 emissions)(^5).</td>
<td>Estimated reduction of 3,209,891 metric tons of CO(_2)e(^4) 2021 estimated Scope 1 and 2 emissions were 5,619,367 metric tons of CO(_2)e. This represents an estimated reduction of 3,209,891 metric tons from our 2015 base year (8,829,258 metric tons of CO(_2)e) – an estimated 36.4% attainment toward our net zero target.(^4)</td>
</tr>
<tr>
<td>Customer Emissions Reduction Enablement</td>
<td>2035</td>
<td>Deliver connectivity solutions that enable business customers to reduce a gigaton (1 billion metric tons) of GHG emissions between 2018–2035.</td>
<td>Enabled 110.3 million metric tons of customer emissions savings AT&amp;T-enabled customer GHG emissions reductions measured between 2018 and 2021 total 110.3 million metric tons of CO(_2)e – approximately 11% attainment toward our gigaton goal.(^5)</td>
</tr>
<tr>
<td>Landfill Diversion</td>
<td>2030</td>
<td>Reduce the amount of U.S. waste we send to landfill 30% (2019 base year)</td>
<td>Estimated 26.7% reduction(^6) 2021 estimated waste sent to landfill was 111,916 metric tons. This represents an estimated reduction of 40.791 metric tons from our 2019 base year (162,707 metric tons). We will continue monitoring performance to determine whether COVID-19 related impacts are temporarily speeding our progress.(^6)</td>
</tr>
<tr>
<td>Water Use in Stressed Areas</td>
<td>2030</td>
<td>Achieve 15% reduction (2019 base year) in U.S. water use in areas of high and extremely high water stress.</td>
<td>Progress Ongoing AT&amp;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&amp;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.(^7)</td>
</tr>
</tbody>
</table>

Key performance indicators

**AT&T and Shareholders**

- **Capital expenditures**
  - Investments in networks, platforms or systems\(^3\) ($ billion)
    - 2015: 21.6
    - 2016: 21.3
    - 2017: 19.6
    - 2018: 16.7
    - 2019: 15.6
    - 2020: 16.5
    - 2021: \(\text{Estimated}\)

**Suppliers**

- **Supplier diversity**
  - Supply chain spend with businesses owned by minorities, women, veterans, LGBTQ+ people and those with disabilities\(^3\) ($ billion)
    - 2015: 14.4
    - 2016: 14.1
    - 2017: 13.9
    - 2018: \(\text{Estimated}\)
    - 2019: \(\text{Estimated}\)
    - 2020: \(\text{Estimated}\)
    - 2021: \(\text{Estimated}\)

**Customers and Communities**

- **Employee participation in volunteer programs\(^1\) (%)**
  - 2017: 15
  - 2018: 17
  - 2019: 11
  - 2020: 4
  - 2021: \(\text{Estimated}\)

- **Average employee giving per donor\(^2\) ($)**
  - 2017: 34
  - 2018: 143
  - 2019: 347
  - 2020: 382
  - 2021: \(\text{Estimated}\)

- **AT&T philanthropic giving**
  - Total corporate and AT&T Foundation giving\(^3\) ($ million)
    - 2017: 121.0
    - 2018: 120.7
    - 2019: 143.9
    - 2020: 288.5
    - 2021: \(\text{Estimated}\)
### Employees

- **Union jobs** Percentage of union represented employees (approximate)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>total</td>
<td>40</td>
<td>40</td>
<td>37</td>
<td>40</td>
<td>37</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.86</td>
<td>2.01</td>
<td>1.90</td>
<td>2.00</td>
<td>1.96</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>40</td>
<td>40</td>
<td>37</td>
<td>40</td>
<td>37</td>
</tr>
</tbody>
</table>

### Environment

- **U.S. Scope 1, 2, and 3 carbon footprint** GHG emissions (metrics tons of CO₂e)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>total</td>
<td>36.61</td>
<td>30.59</td>
<td>23.90</td>
<td>30.78</td>
<td>31.74</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>49.56</td>
<td>46.51</td>
<td>43.06</td>
<td>41.06</td>
<td>41.06</td>
</tr>
</tbody>
</table>

- **Electricity use** Global direct billed and leased electricity (MMH, million)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>14.3</td>
<td>14.9</td>
<td>13.1</td>
<td>14.6</td>
<td>14.0</td>
</tr>
</tbody>
</table>

- **Annualized energy cost savings from energy projects ($ million)**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>144.0</td>
<td>171.1</td>
<td>151.5</td>
<td>156.4</td>
<td>156.5</td>
</tr>
</tbody>
</table>

### Energy intensity

#### Relative to annual revenue

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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>31.74</td>
<td>38.21</td>
<td>30.59</td>
<td>25.39</td>
<td>22.74</td>
</tr>
</tbody>
</table>

#### Relative to subscribers

- **Energy intensity** Relative to subscribers (MWh electricity/1,000 subscribers)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>7.71</td>
<td>7.27</td>
<td>6.24</td>
<td>5.02</td>
<td>4.74</td>
</tr>
</tbody>
</table>

### Absolute water consumption

- **Absolute water consumption** (gallons, billion)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>2.60</td>
<td>2.64</td>
<td>2.97</td>
<td>2.67</td>
<td>2.36</td>
</tr>
</tbody>
</table>

### Water intensity

#### Relative to annual revenue

- **Water intensity** Water consumption relative to annual revenue (gallons/$ thousand revenue)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>13.81</td>
<td>17.00</td>
<td>16.63</td>
<td>15.59</td>
<td>15.17</td>
</tr>
</tbody>
</table>

#### Relative to subscribers

- **Water intensity** Water consumption relative to subscribers (gallons/individual subscriber)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>11.88</td>
<td>12.69</td>
<td>14.42</td>
<td>11.25</td>
<td>11.90</td>
</tr>
</tbody>
</table>

### Total waste managed

- **Total waste managed** (metric tons)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>201.70</td>
<td>245.65</td>
<td>292.28</td>
<td>287.20</td>
<td>287.20</td>
</tr>
</tbody>
</table>

### Waste recycled/reused

- **Waste recycled/reused** (percentage)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>33.36</td>
<td>37.74</td>
<td>37.45</td>
<td>40.05</td>
<td>39.50</td>
</tr>
</tbody>
</table>
Endnotes

1. Adjusted diluted EPS is a non-GAAP financial measure calculated by excluding from operating revenues, operating expenses and income tax expense certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, actuarial gains and losses, significant abandonments and impairments, severance and other material gains and losses. 2021 reported earnings per diluted share was $2.76; adjusted earnings per diluted share was $3.40. Further information is included in our Form 8-K dated January 26, 2022. This compares to 2020 reported earnings per diluted share of ($1.97) and adjusted earnings per diluted share of $3.18. Further information is included in our Form 8-K dated January 26, 2022.

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

3. Supplier diversity spend excludes content and programming spend, and reflects the activities of the AT&T Global Connections and Supply Chain organization within AT&T Communications.

4. 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.

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

6. For full year 2021 revenues, excluding impacts of the U.S. Video business and Vrio of $15.2 billion are calculated as operating revenues of $17.8 billion, minus Vrio operating revenues of $2.6 billion, plus WarnerMedia’s operating revenues of $153.2 billion are calculated as operating revenues of $170.2 billion, minus Vrio operating revenues of $2.6 billion.


12. Excludes employees whose race is unknown or underreported.

13. As self-identified via AT&T Count. AT&T Inc and AT&T Communications only.

14. Not included of WarnerMedia. The 2021 value of timer was calculated using the independent Sector value of a volunteer hour for 2021 ($28.54).

15. $182.47 million of 2021 philanthropic giving was provided by AT&T and $19.58 million was provided through the AT&T Foundation.


17. 2017 data does not include AT&T operations in Latin America or WarnerMedia. 2018–2021 data does not include WarnerMedia. DIRECTV and Vrio are represented through December 31, 2021. In Note: 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 and Vrio are represented through December 31, 2021.

18. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.

19. Includes content and programming spend, and reflects the activities of the AT&T Global Connections and Supply Chain organization within AT&T Communications.

20. The supplier sustainability management approach reflects the activities of the AT&T Global Connections and Supply Chain organization within AT&T Communications.

21. Target refers to 50% of our suppliers covering purchased goods and services, capital goods and downstream leases as a portion of spend.

22. Data does not include DIRECTV or Vrio.

23. All 2021 data is estimated and inclusive of DIRECTV and Vrio. Final values are available in Q2 2022. 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 and Vrio. In November 2021, we completed the sale of our Latin America video operations, Vrio, to Grupo Werthein.


25. All 2021 data is estimated. Final values will be available in Q2 2022. 2017–2019 data inclusive of AT&T Communications, U.S. operations, 2019–2021 data inclusive of AT&T Communications and WarnerMedia’s U.S. operations. DIRECTV and Vrio data and Vrio’s operating results for 2021–2021 do not include consumption from AT&T sites that use well water, as well water consumption metrics are not tracked. Fewer than 0.03% of AT&T’s sites use well water. Note: In May 2021, we entered into an agreement to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc. The transaction is subject to approved by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022.

26. In connection with capital improvements, we negotiate with some of our vendors to obtain favorable payment terms for services or materials, referred to as vendor financing, which are excluded from capital expenditures and reported in accordance with GAAP as financing activities. We present cash paid for gross capital investment to provide investors with a comprehensive view of cash used to invest in our networks, product developments and support systems. In 2021, gross capital investment of $16.5 billion is calculated as capital expenditures of $16.5 billion, plus cash paid for vendor financing of $4.6 billion and FirstNet reimbursements of $0.5 billion.

27. All 2021 data is estimated. Final values will be available in Q2 2022. 2017–2019 data inclusive of AT&T Communications, U.S. operations, 2019–2021 data inclusive of AT&T Communications and WarnerMedia’s U.S. operations. DIRECTV and Vrio data and Vrio’s operating results for 2021–2021 do not include consumption from AT&T sites that use well water, as well water consumption metrics are not tracked. Fewer than 0.03% of AT&T’s sites use well water. Intensity is relative to the number of our subscribers (North America wireline, wireline voice and domestic broadband), as defined in our 2021 4th Quarter Earnings Statement. Note: In May 2021, we entered into an agreement to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc. The transaction is subject to approved by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022. 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.

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

29. Data covers the central offices of AT&T’s wireline, longlines & DIRECTV business; as well as outside plant and some mobility locations in the contiguous U.S. Note: In August 2021, we contributed our North America video business – including DIRECTV, AT&T TV and U-verse – to a new company with TPG Capital.

30. 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, plastics recycling, and regulated (hazardous and nonhazardous) waste programs, unless otherwise noted.


32. 2019–2021 data inclusive of AT&T Communications and WarnerMedia’s U.S. operations. DIRECTV and Vrio data are not included. Note: In May 2021, we entered into an agreement to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc. The transaction is subject to approved by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022.

33. 2017–2018 data includes AT&T Communications and WarnerMedia and AT&T Inc. 2019–2021 data is representative of AT&T Corporate, including WarnerMedia, as well as Vrio and DIRECTV through the divestiture of those units in July 2021, and Now Research:

34. 2019–20 data includes AT&T Communications and WarnerMedia’s U.S. operations. DIRECTV and Vrio data are not included. Note: In May 2021, we entered into an agreement to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc. The transaction is subject to approved by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022.

35. 2017–2018 data includes AT&T Communications and WarnerMedia’s U.S. operations. 2019–2021 data is representative of AT&T Corporate, including WarnerMedia, as well as Vrio and DIRECTV through the divestiture of those units in July 2021. These incidents are employee injuries and illnesses that are subject to approved by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022.

36. 2019–20 data includes AT&T Communications and WarnerMedia’s U.S. operations. DIRECTV and Vrio data are not included. Note: In May 2021, we entered into an agreement to combine our WarnerMedia segment, subject to certain exceptions, with a subsidiary of Discovery Inc. The transaction is subject to approved by Discovery shareholders and subject to customary closing conditions, including receipt of regulatory approvals. It is expected to close in Q2 2022.
Endnotes (continued)

38 2021 data is estimated and inclusive of DIRECTV and Vrio—final values will be available in Q2 2022. Carbon footprint does not include supplier emissions. Note: Variations 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 estimated and inclusive of DIRECTV and Vrio—final values will be available in Q2 2022. 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: Variance 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.

40 2021 data is estimated and inclusive of DIRECTV and Vrio—final values will be available in Q2 2022. 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 air conditioning. 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: Variance 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.

41 2021 data is estimated and inclusive of DIRECTV and Vrio—final values will be available in Q2 2022. Electricity 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 2021 data is estimated and inclusive of DIRECTV and Vrio—final values will be available in Q2 2022. 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.

43 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.

44 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.
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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