

CDP Climate Change Disclosure 2021 – AT&T

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

AT&T's mission is to inspire human progress through the power of communication and entertainment. This starts with more than 170 million direct-to-consumer relationships across our wireless, pay-TV and broadband businesses in the United States, wireless in Mexico and DIRECTV in Latin America.

AT&T Inc. is comprised of 3 operating companies. AT&T Communications provides mobile, broadband and other communications services to U.S.-based consumers. It also serves more than 3 million companies worldwide – from the smallest businesses to nearly all the Fortune 1000 – with highly secure, smart solutions. AT&T Latin America provides mobile services to consumers and businesses in Mexico and pay-TV service across 11 countries in South America and the Caribbean. WarnerMedia develops, produces and distributes feature films, television, gaming and other content in various physical and digital formats globally. WarnerMedia content is distributed through basic networks, Direct-to-Consumer (DTC) or theatrical, TV content and games licensing. WarnerMedia also includes Xandr advertising and Otter Media Holdings.

In July 2021, we agreed to sell our Latin America video operations, Vrio, to Grupo Werthein, pending customary closing conditions. 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 customary closing conditions, including receipt of regulatory approvals. In July 2021, we contributed our U.S. video business – including DIRECTV, AT&T TV and U-verse – to form a new company with TPG Capital.

Important note: Information set forth in this report contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results might differ materially. A discussion of factors that may affect future results is contained in AT&T's filings with the U.S. Securities and Exchange Commission. AT&T disclaims any obligation to update and revise statements contained in this report based on new information, or otherwise.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Brazil
- Bulgaria
- Canada
- Chile
- China
- China, Hong Kong Special Administrative Region
- Colombia
- Costa Rica
- Croatia
- Cuba
- Cyprus
- Czechia
- Denmark
- Ecuador
- Egypt
- El Salvador
- Finland
- France
- Germany
- Greece
- Guatemala
- Hungary
- India
- Indonesia
- Ireland
- Israel

Italy
Japan
Lebanon
Luxembourg
Malaysia
Mexico
Morocco
Netherlands
New Zealand
Norway
Pakistan
Panama
Peru
Philippines
Poland
Portugal
Republic of Korea
Republic of Moldova
Romania
Russian Federation
Singapore
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Taiwan, Greater China
Thailand
Turkey
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Venezuela (Bolivarian Republic of)
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	<p>The Public Policy and Corporate Reputation Committee (PPCRC) of our Board has the highest level of responsibility for climate change-related activities within AT&T. The PPCRC has 4 members, including a chairperson, and meets approx. 3 times/year. The PPCRC is briefed by the SVP of Corporate Social Responsibility (CSR), who is also our Chief Sustainability Officer (CSO), at each meeting on climate-related issues as they relate to AT&T's overall strategy. The PPCRC provides input/guidance in the development of our strategy, as well as our programmatic and managerial approach. Our CSO also meets intermittently with individual members of the PPCRC to discuss sustainability-related topics of interest to the individual committee member.</p> <p>The PPCRC's charter outlines the Committee's responsibilities related to public policy and specifically cites its authority over corporate policies and practices in furtherance of our CSR activities, including environmental policies. Programmatic operations for climate change-related activities fall under CSR at AT&T, therefore the PPCRC is ultimately responsible for our climate change strategy.</p>

	<p>An example of a climate-related decision made by the PPCRC was to review and approve AT&T’s development of our Climate Change Analysis Tool (CCAT). CCAT combines mapping software with climate data and enables AT&T to assess the long-term infrastructure and operational impacts of climate-related severe weather events, such as flooding and high intensity winds.</p>
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C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy	<p>The Public Policy and Corporate Reputation Committee (PPCRC) of the AT&T Board of Directors has the highest level of responsibility for climate change within our organization and meets 3 times per year on sustainability matters. The SVP of Corporate Social Responsibility (CSR), who is also our Chief Sustainability Officer, briefs the PPCRC on our climate-related strategies and goals. The PPCRC reviews the goals and strategies and provides oversight of the climate-related issues. Our CSO also meets intermittently with individual members of the PPCRC, to discuss specific sustainability topics of interest to the individual committee member. The PPCRC reviews the entirety of AT&T’s climate-related strategy, including all public targets (such as those governing supply chain, energy intensity, water intensity, fleet, etc.). The PPCRC also provides input into our strategy related to energy policy, such as investing in renewable and alternative energy purchases. As climate-related issues arise, they are reviewed in regular fashion, much the same way other topics are reviewed and discussed at the Board level.</p>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

AT&T's SVP of Corporate Social Responsibility (CSR), who is also our Chief Sustainability Officer (CSO), facilitates discussions related to climate change at meetings of the Public Policy and Corporate Responsibility Committee (PPCRC) of AT&T's Board of Directors. The CSO oversees all work pertaining to climate-related risks and opportunities. The CSO plays a leading role in AT&T's climate-related strategy-setting process and receives regular input from those implementing the strategy.

AT&T's CSO has designated specific members of her team—led by the Assistant Vice President of Global Environmental Sustainability who reports to the CSO—to oversee and implement AT&T's climate change-related strategy. The AVP provides weekly updates on climate-related activities and developments to the CSO. As team members on the Global Environmental Sustainability team monitor and track climate-related policies and developments within and external to the company, they communicate relevant issues and solutions to the CSO. The AVP of Global Environmental Sustainability also chairs our Environment CSR Committee, which is comprised of senior business leaders from across the company.

The CSO is deeply involved in major climate-related strategy decisions, such as the planning and execution of major renewable energy procurement contracts and projects, including our agreements to invest in renewable energy and our Climate Change Analysis Tool (CCAT). AT&T developed CCAT after working with the U.S. Department of Energy's Argonne National Laboratory. CCAT will help AT&T anticipate potential impacts of climate change on our network infrastructure and business operations up to 30 years into the future. The CSO is also very involved in goal setting and in 2020 she oversaw the internal effort to set the company's 2035 carbon neutral

goal, which required collaboration across the business with teams such as fleet, network, finance, corporate real estate and supply chain.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Environmental criteria included in purchases Supply chain engagement	Demonstrated progress toward and achievement of the stated goals related to climate-related issues (such as our programs for renewable energy, our approved Science-Based carbon reduction targets and our 2035 carbon neutral goal) are part of the annual performance objectives for our Chief Sustainability Officer (CSO). Performance toward those goals is taken into account when the CSO's supervisor determines merit salary increases and bonus awards. For example, if demonstrated progress toward our public renewable energy commitments, our approved Science-Based carbon reduction targets or our 2035 carbon neutral goal are not achieved, such negative performance would be taken into account during performance evaluations and salary/bonus determinations for the CSO.
Energy manager	Monetary reward	Emissions reduction project Emissions reduction target	Our VP of Global Infrastructure Optimization (who has responsibility for our energy management team) has financial energy-saving targets which support our sustainability efforts. Performance toward

		<p>Energy reduction project</p> <p>Energy reduction target</p> <p>Efficiency project</p> <p>Efficiency target</p> <p>Environmental criteria included in purchases</p> <p>Supply chain engagement</p>	<p>these targets is taken to account when determining the VP's annual merit salary increases and bonus awards.</p> <p>Business unit managers within CSR and the Global Infrastructure Optimization organizations also use the annual performance appraisal process to highlight and reward superior performance on climate-related programs.</p> <p>In addition to monetary awards, we provide incentives in the form of recognition. We have several employee recognition programs that are used by business unit managers to acknowledge outstanding performance with respect to the energy impacting programs.</p> <p>Other incentivized activities include:</p> <ul style="list-style-type: none"> • Emissions reduction target • Energy reduction project • Energy reduction target • Efficiency project • Efficiency target • Environmental criteria included in purchases • Supply chain engagement
<p>Other, please specify</p>	<p>Monetary reward</p>	<p>Emissions reduction target</p>	<p>As part of their annual job performance review, members of the AT&T Fleet team are evaluated on their ability to drive reductions in GHG emissions. This is to incentivize progress toward the company's carbon neutral goal, which takes into account fleet emissions.</p>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	These time horizons are specific to how AT&T looks at the impacts of climate change through our Climate Change Analysis Tool (CCAT), which enables us to analyze the long-term physical impacts of climate change up to 30 years into the future.
Medium-term	3	10	These time horizons are specific to how AT&T looks at the impacts of climate change through our Climate Change Analysis Tool (CCAT), which enables us to analyze the long-term physical impacts of climate change up to 30 years into the future.
Long-term	10	30	These time horizons are specific to how AT&T looks at the impacts of climate change through our Climate Change Analysis Tool (CCAT), which enables us to analyze the long-term physical impacts of climate change up to 30 years into the future.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

We engineer our network to be reliable and resilient. Any climate-related risk that has the potential to impact our network reliability or performance, or our ability to service customers, is considered a substantive financial and strategic risk. A quantifiable indicator of a substantive impact would be a measurable disruption to our network's reliability that would in turn cause disruption to the customer since they depend on consistent coverage. Any disruption to our network greater than zero, regardless of scale or magnitude in frequency or duration, is considered a negative impact because

our customers rely upon uninterrupted service to conduct mission-critical activities. Our 2020 system average interruption frequency (total unplanned interruptions / total customer ports) is 0.000641026; and our 2020 customer average interruption duration (total unplanned interruption duration (minutes) / total customer ports) is 0.060255178.

For this CDP survey, we evaluate risk based on cost to the business and probability of occurring. The amount of change that indicates a substantive impact depends on the most relevant inherent impact category, the likelihood of occurrence and potential to create a significant loss of trust with customers, partners, members, or shareholders; have a significant impact on business operations within one or more business units or geographies; prohibit the company from conducting business in certain product lines or markets; or cause a significant reduction in market capitalization. For this CDP survey, we consider one penny per share impact or greater to be substantive financially.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Description of process: To assess climate-related risk to our operations, we use the AT&T Climate Change Analysis Tool (CCAT). Developed with the U.S. Dept. of Energy's Argonne National Labs, CCAT allows us to visualize and identify the location of infrastructure at risk for physical climate-related impacts, including sea level rise. CCAT helps us anticipate potential impacts of climate change on our network infrastructure and business operations up to 30 years into the future by combining Argonne's regional climate modeling data with sophisticated mapping capabilities and allows us to visualize climate change risk to company infrastructure and make climate-informed decisions for the future. We use CCAT

on an ongoing basis (more than once a year).

How process is applied to physical risk/opportunity: We use CCAT to cross-reference fiber cable locations with projected inland and coastal flooding up to 30 years in the future, which covers short, medium- and long-term timeframes, making for more informed decision-making. We can also visualize climate-related events such as projected sea-level rise impact on assets like copper lines, fiber cable locations, cell sites, and much more. We use this information to help us plan for maintenance, disaster recovery and future construction to best serve our customers and communities. We use this modelling to guide our capital investment spending, including deciding whether to elevate cell towers and other infrastructure in anticipation of sea level rise or to protect such assets with barriers. For example, we have thousands of cell towers, some of which have batteries at ground level that could be susceptible to flooding. The CCAT tool enables us to identify buildings that might be susceptible to flooding so that we can act accordingly. CCAT is one tool we use to help us determine which towers we should retrofit to elevate the batteries above a flood risk level.

How process is applied to transition risk/opportunity: As CCAT enables us to plan for network impacts up to 30 years out, should customer needs change and we need to adjust our asset allocation or locations to meet demand, we can integrate climate resiliency into the planning process. For example, if there were a significant demographic shift or increased demand for service, we could use CCAT to help determine where best to locate new assets — both to keep pace with customer demands and to be optimally climate-resilient. As we plan to continue to serve geographies at risk for climate-related impacts, we will continue to protect our assets in order to provide a resilient network. By looking at climate data 30 years out, we are also able to build a more resilient network directly supporting AT&T's other initiatives such as closing the digital divide and energy efficiency by minimizing disruptions.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	AT&T is a global company. As such, we are subject to regulation at multiple layers including local, state, national, and international jurisdictions. Our internal public policy, legislative affairs and compliance teams monitor the regulations and legislation we are subject to and help ensure

		<p>we adhere to all applicable laws and regulations. We work to ensure compliance with laws. Our Public Policy and Compliance teams monitor climate-related regulations and our response to and compliance with them as part of their regular duties and report any changes or policies that may impact our company to the appropriate channels including the Chief Sustainability Officer and applicable other officers. As signatories to the Voluntary Agreements on Energy Efficiency for both Set-Top Boxes and Small Network Equipment, we are subject to those voluntary energy efficiency guidelines for our products. We work to comply with these limitations.</p>
<p>Emerging regulation</p>	<p>Relevant, always included</p>	<p>Some jurisdictions in which we operate have adopted cap-and-trade mechanisms to reduce carbon emissions. For example, California adopted its system in 2017, and the State of Washington has also taken significant steps toward adopting a cap-and-trade, contingent on transportation infrastructure funding. AT&T has substantial operations in both of these states. To understand the impact to AT&T of this and other emerging or pending regulations and laws, our local and relevant jurisdictional public policy teams monitor public news channels and legislative media and conduct research into how proposed bills could impact our company. As the legislative landscape changes rapidly and at multiple levels, we include such risks in our regular risk assessments. Should risks rise to a level of significance such that we reasonably believe they would affect our ability to serve our customers, provide a reliable network or drive value for our shareholders, we would actively pursue solutions to mitigate the risks.</p> <p>In addition, carbon tax schemes, such as those proposed by the Climate Leadership Council and the Transportation and Climate Initiative (covering several eastern states and similar to the Regional Greenhouse Gas Initiative), would apply to AT&T, should those programs become law. AT&T supports and is a founding member of the CLC. As those proposals continue to develop and move into legislative processes, we will monitor their potential effect on our business.</p>

Technology	Relevant, always included	<p>AT&T has chosen to invest in renewable energy, where appropriate. In 2020 we increased our domestic investments to up to 1.5 GW of renewable energy capacity. In support of this effort, we closely evaluated available storage technologies to help ensure that the energy generated could be viably and reliably stored for future use. An example of a technology risk tied to our renewable strategy is the capacity of battery storage. If innovations in battery storage technology do not keep pace with our demands, and we are not able to reliably and cost-effectively store renewable energy, we may need to continue to use fossil fuel-based energy. As we continue to evaluate future energy deals, we will consider technological developments such as battery storage capabilities which may shape our decision-making processes. To hedge our technology risk, AT&T is working with RMI's Third Derivative, a group that works with emerging technologies that are being developed, providing direct feedback on business viability, and improving odds of success from both the financial and business case perspectives.</p>
Legal	Not relevant, explanation provided	<p>AT&T is not an energy company nor does our Scope 1 footprint account for the most significant portion of our total energy use (our 2019 Scope 1 was 990,955MT CO₂e). To date, we have not been the subject of climate-related litigation.</p>
Market	Relevant, always included	<p>Customer demand is an example of a market risk that we consider in our risk assessments as part of our standard considerations when developing new product and service offerings. There is currently a market demand for technologies that enable carbon savings and help reduce customers' carbon footprints and climate impacts, and we believe that AT&T solutions can address this demand. As such, we invest in providing customers with solutions that enable carbon reductions. Should customer demand and the market shift away from support for climate impact mitigating solutions, such action could negatively affect demand for our products and services. If future market analyses indicated that there was no longer a demand for low-carbon products or services or services that help customers reduce their own climate impacts, we would consider that fact as we determine the development and roll-out of such offerings.</p>

<p>Reputation</p>	<p>Relevant, always included</p>	<p>Customers increasingly expect companies to be good corporate stewards and act responsibly. AT&T strives to be a leader in climate action, and we believe that such leadership is beneficial for our reputation. On a monthly basis, AT&T surveys stakeholders to assess their perception of our corporate reputation and brand, including the emotional attachment of consumers who state they are familiar with our company's operations. We measure interest in and awareness of specific AT&T corporate responsibility programs and emerging social issues, and sample impressions of programs in development. Our measurements confirm that awareness of AT&T corporate social responsibility (CSR) efforts (such as climate-related initiatives) improves company reputation – which in turn positively affects key business metrics such as willingness to buy or recommend, and willingness to give AT&T the benefit of the doubt in difficult times. If we did not act to build and communicate our corporate responsibility story—particularly as it relates to climate-related issues such as the management of GHG emissions and support for renewable energy—AT&T could be at a reputational disadvantage to other companies in the technology sector. We communicate our climate-related actions through various channels, including an annual ESG (environmental, social, corporate governance) report and website. We set public CSR/ESG goals and communicate our progress toward those targets. For example, we set a goal to be carbon neutral (scopes 1 & 2) by 2035. In addition, our AT&T Gigaton goal to deliver connectivity solutions that enable business customers to reduce a gigaton (1 billion metric tons) of GHG emissions by 2035 shows our commitment to deliver services that help AT&T business customers avoid carbon emissions. Progress against our Gigaton Goal will be reported annually. Our initial calculations indicate that from 2018 to 2020 cumulative tracked customer GHG emissions reductions enabled by AT&T technology solutions total over 72 million metric tons of CO₂e.</p>
<p>Acute physical</p>	<p>Relevant, always included</p>	<p>Acute physical risks such as extreme weather events can cause damage to physical assets and potentially disrupt our network infrastructure. Any climate-related risk that has the potential to impact our network reliability is always included in our risk assessments. We conduct regular analysis to help</p>

		<p>ensure our cell sites can withstand wind, ice and other environmental factors. We also deploy high-capacity battery backup to our cell sites, helping them remain in service in the event of a commercial power loss. To prepare our network for natural disasters, we regularly test these batteries and take steps to help ensure fixed generators are fueled on a regular basis. We also proactively monitor potential nature-related threats to our network, employees and communities through our Weather Operations Center. Through our Network Disaster Recovery (NDR) organization, we have conducted 78 full-scale in-field recovery exercises, which are vital to testing our equipment and abilities. We conduct two such exercises per year.</p>
<p>Chronic physical</p>	<p>Relevant, always included</p>	<p>Chronic physical risks, such as a rise in average temperatures, could increase our operating costs as AT&T requires water to cool many of our buildings / facilities. An increase in average temperatures could impact operating costs by requiring more water to operate water-cooled air conditioning units or to irrigate landscaping. Our Core Network Operations team monitors and tracks historic water usage and rates and our Weather Operations Center tracks forecasts. Cross-checking such data enables us to understand the relationship between daily temperatures and our water costs. In 2020, AT&T used 2.678 billion gallons of water. To mitigate the risk of increased operating costs associated with the purchase of water (to cool certain facilities or to provide irrigation) due to rising mean temperatures, AT&T has active water management efforts in place. Our water conservation efforts include, among others, working with HydroPoint, a provider of smart water management solutions, to remotely monitor and manage irrigation systems in real-time.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driverChronic physical
Rising mean temperatures**Primary potential financial impact**

Increased indirect (operating) costs

Company-specific description

In 2020, AT&T used 2.678 billion gallons of water in our operations at 9,953 facilities. The majority of our water use is in our facility cooling systems to cool our larger facilities. Analysis of our water footprint shows that our water use is concentrated in a small number of facilities – our top 125 water-consuming facilities constitute approximately 60.9% of our overall water consumption. And many of these facilities are located in the drought-prone southwest, making water conservation even more important. We also use water in irrigation and for general personnel use (i.e., drinking, cooking, restroom facilities). An increase in average temperature could impact our operating costs by requiring more water to water-cool our facilities or to provide irrigation.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

875,000

Potential financial impact figure – maximum (currency)

8,750,000

Explanation of financial impact figure

Financial impacts are difficult to calculate.

An increase in average temperature could impact our operating costs and result in more energy and water consumption.

The 2020 cost of our water consumption was \$17.5 million. Depending upon temperature changes there could be a 5-50% water cost increase, commensurate with increased water usage. A water cost increase of 5% on \$17.5 million is \$875,000 for a total of \$18,375,000; a 50% increase would amount to \$8,750,000 for a total of \$26,250,000.

Cost of response to risk

1,000,000

Description of response and explanation of cost calculation

We exceeded our goal to reduce water consumption relative to data growth on our network 60% by 2020 (2013 baseline) a year ahead of schedule. In 2021, we launched a new goal to reflect our commitment to using critical water resources efficiently. By 2030, we aim to achieve a 15% reduction (2019 base year) in U.S. water use in high- or extremely high-water stress areas.

Since 2013, the project-related costs for water management projects, including smart irrigation, is over \$1 million. We track and calculate this metric using invoices and expense tracking systems for capital expenditures. More than half of this amount (>50%) is the cost of hardware (freeze and leak detection sensors and controllers; connectivity technology and dashboards to monitor water infrastructure and use), and the remaining balance (< 50%) is associated installation expenses. We've seen cumulative water savings of 596 million gallons since we set our first water goals in 2013. In addition, we realized 794M kWh of annualized electricity savings associated with the introduction of free-air cooling projects and the reduction of mechanical refrigeration. We work with HydroPoint – a provider of smart water management solutions – to remotely monitor & manage irrigation systems in real-time.

Since 2017, AT&T has launched 141 smart water facilities with HydroPoint. In 2020, we saved 60 million gallons of water through this program. In 2020, AT&T also deployed an Enterprise Building Management System (EBMS) to more

than 165 additional sites, bringing the total to nearly 985 facilities. Leveraging the Internet of Things (IoT) and Big Data principles, our EBMS is designed to help property management personnel ensure facility equipment is operating optimally. This effort helps minimize mechanical cooling needs and reduces water consumption.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

An increase in the price of GHG emissions, such as through a fuel or carbon tax or other pricing mechanism, may marginally drive up the price of fossil fuel-based energy. AT&T relies in part on fossil fuel-based energy to power our network and fleet. (52.29% of our 2020 Scope 1 emissions are from our ground fleet.) We also purchase a significant amount of electricity to power our operations (our 2020 global direct billed and leased electricity use was 14.1M MWh). While we are working to increase the amount of renewable electricity in our portfolio—and in 2019 committed to invest in up to 1.5 GW of renewable energy—we do still rely on the grid and non-renewable sources to ensure our energy supply. (79.1% of our total energy supplied in 2020 was from grid electricity).

Any policy that increases the price of GHG emissions and that may drive up the cost of fossil fuel-based energy or power has the potential to increase our operating costs.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

31,600,000

Potential financial impact figure – minimum (currency)**Potential financial impact figure – maximum (currency)****Explanation of financial impact figure**

We work to insulate ourselves from increasing energy prices, whether those prices increase due to taxes or other policies. It is difficult to estimate the exact increase in cost any GHG pricing policy may cause.

In 2020, our market-based emissions from electrical power were 4,732,286 MT CO₂e. If we use the guidance of the Regional Greenhouse Gas Initiative's 2020 allowance price of \$6.68 per ton of CO₂, we estimate that annual operating costs could increase by over \$31 million if that allowance price were to apply world-wide. (4,732,286 MT CO₂e * \$6.68 /ton) = \$31.6 million.

Cost of response to risk

100,000,000

Description of response and explanation of cost calculation

Reducing our energy usage helps us to mitigate risks associated with changes in energy prices. We have active energy management efforts to reduce our own energy use. We exceeded our target to reduce emissions of our U.S. fleet 30% by the end of 2020 (2008 baseline). Through 2020, our U.S. ground fleet emissions have decreased 332,658 MT CO₂e – or 38% – from our 2008 baseline. We will continue work to reduce fleet-related emissions and fuel use by reducing the size of our fleet and deploying hybrid vehicles. In 2020, we reduced the size of our domestic fleet by more than 8,600 vehicles, and since 2017, 99% of passenger sedans procured for our domestic fleet have been hybrids.

To reduce emissions in our operations, AT&T implements a large number of energy projects; in 2020, we invested more than \$100 million to implement approximately 8,800 projects that amount to gross annualized cost savings of nearly \$40 million. The estimated cost of these projects is tracked using internal

databases that manage project funding, approval and execution.

As reported in C4.3b, as part of this total, more than \$64 million of this investment pertained to real estate decommissioning projects (consolidating and eliminating facility square footage); more than \$22 million was invested in network projects, including decommissioning, process optimization and smart controls initiatives; nearly \$13 million was invested to upgrade and repair building infrastructure and systems.

Furthermore, through our founding membership in the Climate Leadership Council (CLC), we support the CLC's plan that envisions a rising fee on carbon emissions, rebating revenues as dividends to all Americans, a border-adjustment mechanism and regulatory simplification. The CLC works to promote a carbon dividends plan as a bipartisan, market-based solution to help reduce U.S. emissions.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Extreme weather events such as the highly active tropical storm season along the Gulf Coast and unprecedented number of wildfires in the Western U.S. in 2020 had the potential to disrupt our ability to maintain portions of our network. Our network includes more than 1.3 million route miles of fiber globally and carries more than 350 petabytes of data traffic on an average business day. Any disruption to our fiber routes or other network infrastructure, including cell towers or other national infrastructure, because of extreme weather events such as hurricanes in the Southeast U.S. or other natural disasters may impact network reliability and could lead to increased capital or operating costs for

repairing any damage, proactively relocating equipment or additional network hardening requirements to prevent future disruptions.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

0

Potential financial impact figure – maximum (currency)

627,000,000

Explanation of financial impact figure

We no longer publicly report our disaster recovery expenses. However, in previous years, this expense was \$181 million (2018), and \$627 million (2017), reflecting the major natural disasters experienced in those years.

2017 was a very active year for natural disasters, so we've set that as a reasonable upper range. If our business theoretically does not experience natural disaster related disruption, the cost to our business could be \$0.

As extreme weather and natural disaster events vary year-to-year, so do our related operating costs in response to these events. We feel that this range accurately reflects that variability.

Cost of response to risk

650,000,000

Description of response and explanation of cost calculation

Our network team builds all cell sites to meet or exceed state structural standards—including those in disaster prone areas. We conduct regular analysis to help ensure cell sites can withstand wind, ice & other environmental factors. We also deploy high-capacity battery backup to these sites, allowing them to remain in service in the event of a power loss. To prepare for natural

disasters, we regularly test these batteries & take steps to ensure fixed generators are fueled on a regular basis. We proactively monitor potential nature-related threats to our network, employees and communities through our Weather Operations Center. Through our Network Disaster Recovery (NDR) organization we have run 78 full-scale in-field recovery exercises, which are vital to testing our equipment & abilities. We have invested >\$650 million in our NDR programs since 1992. 90% of the investment is spent on domestic NDR programs, and the remaining 10% is spent on international NDR initiatives. The investments include capital expenditures (such as building new mobile satellite cell sites on light trucks) as well as other expenditures such as field training exercises.

Since 2018, we've been working with the U.S. Department of Energy's Argonne National Laboratory to build out our Climate Change Analysis Tool (CCAT). The tool helps us anticipate & visualize potential impacts of climate change, such as flooding and intense winds, on our network infrastructure & operations—at the neighborhood level and up to 30 years into the future. This information can be used to help plan for maintenance, disaster recovery and future construction. In 2020, we began expanding CCAT from four pilot states in the Southeast to the entire contiguous U.S. We're also adding analysis capabilities for more climate-related weather events such as wildfires and droughts. And we're investing in programs like our Climate Resiliency Community Challenge and the National Fish and Wildlife Foundation's National Coastal Resilience Fund. These projects complement our internal climate adaptation efforts by making the communities we serve more resilient, too.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

In 2015, AT&T set a goal to enable customer carbon savings 10 times the footprint of our operations by 2025, and we have an opportunity to drive revenues through access to new and emerging markets with the products and services we highlight through case studies in our 10x program. Following AT&T's commitment to achieve net zero Scope 1 and 2 emissions by 2035, we sought a more ambitious goal for enablement of customer GHG emissions reductions. In 2021, we retired our 10x goal and announced the AT&T Gigaton Goal to deliver connectivity solutions that enable business customers to reduce a gigaton (1 billion metric tons) of GHG emissions by 2035.

Our technology solutions such as Internet of Things connectivity have the power to reveal inefficiencies and reduce wasted electricity, fuel, water and/or raw materials, which can lead to reduced GHG emissions across multiple markets, including areas in which AT&T has an opportunity to introduce new technologies. AT&T is uniquely positioned to deliver many of these benefits to our customers because of our scope and expertise: For example, as of July 2020, AT&T's 5G network is now live across the U.S., supporting our ability to bring connectivity technology to more areas and markets. In addition, we use many of these technology solutions in our own operations, so we bring practical experience to our customers.

We believe that collaborating with our customers on AT&T-integrated technology solutions can create new opportunities for AT&T to introduce technology into new industries and markets, such as Smart Cities; industrial; manufacturing; retail; and supply chain and transportation.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

0

Potential financial impact figure – maximum (currency)

360,000,000

Explanation of financial impact figure

If we capture opportunities related to introducing technology into new industries and markets, it could mean an increased revenue opportunity for our Business Solutions organization. It's impossible to predict demand, but if we assume demand for more efficient products and services drives a potential 1% increase in consolidated sales of services, we could estimate a potential annual revenue increase of about \$360 million. We calculated this based on our 2020 Business Solutions revenue of approximately \$36 billion. 1% of \$36 billion is \$360 million. If our expectations are wrong and none of our customers find value in AT&T technology solutions that also reduce their GHG emissions, then financial impact could be as low as \$0. However, given the rise of corporate interest in reducing emissions, we don't expect this minimum impact to occur.

Cost to realize opportunity

400,000

Strategy to realize opportunity and explanation of cost calculation

We have identified 8 key impact areas that have substantial climate impact and could benefit from operations enhanced by our technology: Modern Workplace; Transportation; Healthcare; Consumer/Retail; Smart Cities/Buildings; Energy; Industrial; Food/Beverage & Agriculture. We work to identify potential customers and develop product offerings that can help those industries drive cost and emissions from their business, such as our Internet-of-Things (IoT) solutions. To capitalize on such opportunities, we work with customers to create case studies showing how our technologies have enabled positive environmental impacts. For example: our customer ChargePoint uses AT&T connectivity to scale access to electric vehicle charging stations and reduce greenhouse gas emissions. As of March 2020, ChargePoint used AT&T connectivity at approximately 37,000 stations, enabling their customers to avoid the use of over 15.5 million gallons of gasoline, which is equivalent to almost 138,000 metric

tons of CO₂e avoided. We use case studies like this as marketing and promotional content to show the climate-related benefits of AT&T technologies and services. The case studies quantify the GHG emissions reduction potential that AT&T technology enables in a wide range of impact areas. Using these examples allows us to turn the idea of tech-enabled GHG reductions into a relatable story for other customers. We expect these concrete examples can help expand the conversations we have with our customers. 2020 tracked customer GHG emissions savings enabled by AT&T reached an annualized 31.3 million metric tons of CO₂e. In one case study, we highlighted how a customer's use of pipeline monitoring technology, relying on AT&T IoT connectivity, allows pipeline operators to monitor pipelines remotely, avoiding inspection-related travel and identifying leaks quickly, both of which reduce emissions. Our case study showed AT&T IoT technology enabled savings of approximately \$300,000 in fuel and labor costs, and decreased gasoline usage by around 22,000 gallons. AT&T has the equivalent of 2 management employees who spend a large part of their time managing the 10x goal. We estimate costs for this work by using an average cost of \$200,000 for salary and benefits for the time spent on the 10x goal and multiplying that by 2, which equals \$400,000. We assume that other work done by AT&T employees to support the 10x goal is included in employees' regular work scope and is not incremental.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Through the sale of our products and services that enable emissions reductions, we see an opportunity to drive revenue increases.

We have long believed that connectivity can create increased visibility that allows businesses to run more efficiently. In the years since we set our 10x goal, we've shown that AT&T connectivity solutions such as Internet of Things connectivity and 5G have the power to reveal inefficiencies and reduce wasted electricity, fuel, water and/or raw materials, which can lead to reduced GHG emissions.

To show our commitment to this idea, we set a new goal to deliver connectivity solutions that enable business customers to reduce a gigaton (1 billion metric tons) of greenhouse gas emissions by 2035. We call this the AT&T Gigaton Goal.

In order to meet this ambitious goal, we recognize that we will need to invest in efforts to stimulate collaboration and innovative applications of AT&T connectivity to enable emissions reduction. To that end, we have invested in research with leading universities to explore how 5G can enable emissions reduction. We've engaged independent, credible third parties to facilitate customer co-development sessions to identify opportunities for emissions reduction. And we've invested in communications, marketing and sales tools that help support the engagement with customers in these efforts. We will continue to evaluate other opportunities to increase the ways that our connectivity solutions can enable our customers to meet their emissions reduction goals.

Our calculation methodology, progress report and all case studies are available at www.att.com/10x.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

0

Potential financial impact figure – maximum (currency)

360,000,000

Explanation of financial impact figure

If we capture opportunities related to increased demand for AT&T's Business Solutions services that help others reduce emissions, it could mean an increased revenue opportunity. It's impossible to predict demand, but if we assume demand for more efficient products and services drives a potential 1% increase in consolidated sales of services, we could estimate a potential annual revenue increase of about \$360 million. We calculated this based on our 2020 Business Solutions revenue of approximately \$36 billion. 1% of \$36 billion is \$360 million. If our expectations are wrong and none of our customers find value in AT&T technology solutions that also reduce their GHG emissions, then financial impact could be as low as \$0. However, given the rise of corporate interest in reducing emissions, we don't expect this minimum impact to occur.

Cost to realize opportunity

400,000

Strategy to realize opportunity and explanation of cost calculation

As we identify and measure the impact of new, AT&T-enabled solutions, we are developing case studies and highlighting the impacts for our customers. These case studies will be used as marketing materials, to engage more customers and technology collaborators to develop and sell more of these types of solutions. We integrate this emissions-savings benefit messaging into our customer engagement and sales collateral. Our case studies quantify the GHG emissions reduction potential that AT&T technology enables in a wide range of impact areas, such as rice farming, smart buildings, energy efficient network equipment and pipeline leak detection. Using these real-world examples allows us to turn the idea of tech-enabled GHG emissions reductions into a relatable story for other customers. We expect that these concrete examples can help expand the conversations we have with our customers. From 2018 to 2020, cumulative tracked customer emissions reductions enabled by AT&T total approximately 72M MT CO₂e. This reflects approximately 7% progress toward our 2035 goal of enabling a gigaton of cumulative customer emissions reductions. AT&T has the equivalent of 2 management employees who spend a large part of their time developing and executing the plans to meet our goal. We estimate costs for this work by using an average cost of \$200,000 for salary and benefits for the time spent on the 10x goal and multiplying that by 2 for a total of \$400,000. We assume that other work done by AT&T employees to support the Gigaton goal is included in employees' regular work scope and is not incremental.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced direct costs

Company-specific description

In 2020, AT&T used 2.678 billion gallons of water in our operations. Water is deeply important to the communities we serve and to our own operations. The network that forms the core of our business requires a controlled and cooled environment, and water is a critical input to the cooling equipment we use to create these conditions. We're working to manage our own water use, and at the same time, we're supporting the development of water management technology for customers and other organizations. Analysis of our water footprint has shown that our water use is concentrated in a small number of facilities. Our top 125 water-consuming facilities constitute almost 60.9% of our overall water consumption. One of the ways in which we address our water usage is to apply our own Internet of Things solutions, including Smart Irrigation.

Time horizon

Long-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,150,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)**Explanation of financial impact figure**

This figure represents the financial savings AT&T realized when we implemented Smart Irrigation solutions in our own buildings. Our Smart Irrigation solution allowed us to use near real-time weather data and the specific watering needs for the plants in each zone at each site so that we can provide the right amount of water at the right time. Based on the amount of water we saved on our own irrigation efforts, we were able to calculate the financial savings. Since implementing these solutions, we have saved more than \$1.15 million. The savings calculations are completed by analyzing current vs. prior year water consumption in gallons, and cost savings.

Cost to realize opportunity

31,400

Strategy to realize opportunity and explanation of cost calculation

We have active water management efforts to reduce our consumption, and in 2019 met our goal to reduce water consumption relative to data growth on our network by 60% by the end of 2020 (2013 baseline), a year ahead of schedule. In 2020, we further reduced our water consumption by 11% compared to 2019.

In 2021, we launched a new goal that by 2030 we aim to achieve a 15% reduction (2019 base year) in U.S. water use in high- or extremely high-water stress areas.

To address water use, in 2017, we installed the AT&T Smart Irrigation solution on AT&T campuses and buildings in 9 states, from California to Florida. The solution allows us to use near real-time weather data and specific watering needs for the plants in each zone at each site, so we can provide the right amount of water at the right time. Smart Irrigation also monitors the flow of water, enabling us to detect leaks in pipes. If there is a leak, the system will then turn off that zone automatically and alert the property manager so the leak can be fixed. During the 12-month trial period, AT&T Smart Irrigation saved us 30.9 million gallons of water and more than \$123,800.

We invested more than \$314,000 in the pilot through capital investments and expenditures. More than half of this amount (>50%) includes capital costs such as hardware (freeze and leak detection sensors; controllers) connectivity technology and dashboards to track and monitor water use. The remaining costs (<50%) were tied to installation expenses.

Since 2017, AT&T has also launched smart water solutions at 141 of our facilities with HydroPoint. In 2020 we saved 60.5 million total gallons of water through this program.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	No, we do not intend to include it as a scheduled AGM resolution item	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 4.5 RCP 8.5	AT&T’s Climate Change Analysis Tool (CCAT) uses climate data provided by Argonne National Labs (ANL). To develop high-resolution,

regional climate model projections for North America, ANL dynamically downscaled existing global climate model simulations developed for the IPCC 5th Assessment Report (AR5). This global climate dataset is the CMIP5 repository. The CMIP5 data was regionally downscaled for a business-as-usual (BAU) carbon emission scenario, known as RCP 8.5, and a second case, known as RCP 4.5, closer to the Paris Agreement. ANL used 3 major regional-scale climate environment models for CCAT:

- The Weather Research and Forecasting Model (WRF), developed by the National Center for Atmospheric Research and used to create the foundational dataset of dynamically downscaled historic and future climate information over North America.
- The WRF-Hydro® (Version 5) Model, run at a spatial resolution of 200m using output generated from the WRF downscaled climate output to simulate historic and future inland hydrology and flooding.
- The ADvanced Hydrodynamical CIRCulation Model (ADCIRC), used to perform coastal flooding simulations with input from the WRF downscaled climate projections and historical data for the recent major hurricane events to drive those simulations. This uses unstructured gridding and extremely high resolution (appx. 50m).

CCAT looks at the mid-21st century timeframes (2045-2054), providing more accurate projections of future climate and hydrologic impacts. These timeframes are relevant as we will still be supporting customers and have infrastructure that could still be in use at that time.

CCAT currently assesses the SE region of the U.S. since it has the highest extreme weather exposure of the areas where we operate. In 2020, we announced that the scope of the tool would be expanded to the contiguous U.S., including all parts of our operations, such as network, real estate, retail stores and distribution and logistics. We plan to expand the tool to additional regions of the U.S. and Mexico and as we do so, we'll look at the most relevant climate impacts for those areas.

We use CCAT to run ongoing scenario analysis. The tool can analyze several parts of the business including, but not limited to, network operations, corporate real estate and retail stores. We can now cross reference fiber cable locations with projected sea level rise in 2060, making for more informed financial decision-making by mapping risky and conservative areas for new build plans. Offering anywhere from 10- to 100-year return periods of climate change risk, CCAT will allow network planners to understand the range of possible impacts to assets

	<p>such as copper wiring and align risk tolerance with the expected lifespan of those assets. The scenario analysis projected mid-century increased surface water accumulations >5% in inland and coastal regions in the SE U.S. under a BAU emission scenario during warmer seasons by mid-century.</p> <p>Case study: Since AT&T owns >1.3M route miles of fiber cable and tens of thousands of assets such as cell phone towers and stationary generators, it is important that we are best able to identify and plan for climate-related risk on our infrastructure, such as inland flooding. We began using CCAT in 2019. In 2020 we began work to expand the tool to the contiguous U.S. and added elements to help predict drought and wildfires. We are also working to develop a climate risk score for use in the design and planning of our wireless and fiber networks. As we continue to expand and use CCAT, we intend to share further use cases, as preliminary analysis has identified geographical areas and physical assets that are at risk and, as importantly, not at risk. The tool can help determine the siting of future network components and facilities by incorporating climate data into decision making. For example, we can use information from the tool to discern which cell towers to elevate in anticipation of sea level rise.</p>
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C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>How is the strategy influenced: Information and communication technology (ICT) solutions – including hardware, software, and broadband and wireless technologies – can enable people and businesses to make more energy-efficient choices and reduce environmental impacts in many ways. AT&T has set a goal to deliver connectivity solutions that enable business customers to reduce a gigaton of greenhouse gas emissions by 2035.</p> <p>From 2018 to 2020, cumulative tracked customer</p>

		<p>emissions reductions enabled by AT&T total approximately 72M MT CO₂e-- approximately 7% progress toward our 2035 gigaton goal.</p> <p>We engage customers and technology collaborators to integrate AT&T technology into business processes to drive energy and resource efficiency. As we talk to customers, we learn that many are committed to reducing their emissions and have set public goals to do so. We are able to share how AT&T's products and services can help them reduce their own emissions or create products to help their customers reduce their emissions.</p> <p>What is the time horizon: Our Gigaton goal is set at 2035. We continue to actively engage customers in this goal and we expect to continue to do so for years to come.</p> <p>Substantial strategic decision: Our Gigaton goal has support from the highest level of the business. We are building a team with representatives from across the business that will meet regularly to seize this opportunity.</p> <p>We have developed case studies that quantify the GHG emissions reduction potential AT&T technology enables across a wide range of impact areas, including rice farming, smart buildings, energy efficient network equipment, and pipeline leak detection. These real-world examples serve as relatable examples for other customers and can help expand the conversations we have to drive demand for AT&T products and services that enable emissions reductions. We continue to invest billions of dollars in our network infrastructure each year, creating the platform for our 5G and IoT technologies that are key enablers of efficiency for our customers. We anticipate that these opportunities will continue to increase over the next several decades. With the setting of our ambitious 2035 gigaton goal, we are committed to engaging</p>
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		multiple stakeholders on the ability of AT&T technology to enable carbon emissions reductions through 2035 and beyond (long term time horizon).
Supply chain and/or value chain	Yes	<p>Extreme weather events (such as the risks identified in C2.3a) could disrupt our suppliers' ability to provide us with the products and services we require to provide a reliable network to our customers. Our strategy has been influenced in that we build redundancies into our supply chain and sourcing strategies so that we are not overly reliant on individual suppliers. If any given supplier were impacted by extreme weather events and unable to fulfill its obligation to AT&T, redundancies we have built into our sourcing strategies would help ensure our ability to maintain operations. The time horizon covered by this strategy is long-term, as is our overall sourcing strategy. AT&T made the substantive and strategic decision to use the supply chain TIA-QuEST Assessor Tool and to participate in the CDP Supply Chain Survey, both of which assess suppliers' GHG emissions and related climate risk and resiliency. With the data we receive from these tools, we can understand how our suppliers are improving their resiliency against climate risk, including extreme weather events.</p>
Investment in R&D	Yes	<p>The identified risks and opportunities have impacted how we engage customers around the benefits of AT&T's products and services. AT&T has set a goal to deliver connectivity solutions that enable business customers to reduce a gigaton of greenhouse gas emissions by 2035. We call this the AT&T Gigaton Goal. From 2018 to 2020, AT&T has tracked cumulative customer emissions reductions we've enabled of approximately 72M MT CO₂e. This reflects approximately 7% progress toward our 2035 goal to enable a gigaton of cumulative customer emissions reductions.</p> <p>As we make progress toward that goal, we are engaging customers and technology collaborators to integrate AT&T technology into business processes to drive energy and resource efficiency; these</p>

		<p>innovations and products require investment in research and development (R&D) to meet the demands of our customers and meet our Gigaton goal.</p> <p>The demand for lower emissions products and services could impact our investment in R&D related to these products by driving an increase in R&D to develop and bring to market those products and services.</p> <p>We continue to actively engage customers in this discussion and we expect to continue to do so for years to come, even beyond the Gigaton target date of 2035 (long-term time horizon).</p> <p>As we talk to customers, we are getting feedback that many of them are committed to reducing their emissions and have set public goals to show their commitment, presenting an opportunity for AT&T technology to enable those reductions.</p> <p>As part of our efforts to meet our Gigaton goal, we are inviting customers with climate-focused goals to collaborate with AT&T on solutions like Internet-of-Things (IoT) and 5G—solutions that can help them or their customers reduce their environmental impacts. In general, we see ongoing demand for our products and services that have the potential to help reduce emissions. As such, we have made the substantial and strategic decision to invest in 5G and IoT technology that are key enablers of efficiency for our customers.</p>
<p>Operations</p>	<p>Yes</p>	<p>The identified risks and opportunities impact our operations in many ways, including our approach to resource conservation to manage operating costs. Our strategy to address risk to our operations is to set goals to make our operations more efficient, thereby lowering our consumption of resources such as fuel and water. We set long-term goals to address these risks, commensurate with AT&T’s climate change and GHG emissions reduction</p>

	<p>strategy. For example, rising mean temperatures could increase our operating costs, especially in water-stressed areas, as we require water to cool some facilities. Any increase in price of the resources we consume to power our operations could lead to an increase in our operating costs. This applies to water and fossil fuel-based energies.</p> <p>AT&T takes a two-pronged approach to reducing emissions. We first focus on how AT&T can reduce consumption of resources. Second, we see how our consumption can be less impactful. AT&T is always looking to become more efficient in its operations. That includes decreasing water and kWh consumption while managing an ever-increasing amount of traffic on our network. Additionally, we also focus on making the kWh consumption of our network more environmentally friendly by procuring large quantities of wind and solar-generated electricity. This approach also applies to our fleet. As we transition to electric vehicles, the corresponding energy consumption will be targeted towards renewables to minimize the impact.</p> <p>We work to reduce our consumption where possible, but do rely in part on natural resources to power our network and fleet. In 2019, we met our goal to reduce water consumption relative to network data growth 60% by the end of 2020, a year ahead of schedule. Since 2013, we reduced our water consumption, by a cumulative 596 million gallons. We also exceeded a Scope 1 goal to reduce domestic emissions of our fleet 30% by 2020 (from a 2008 baseline), achieving 31% from this baseline. Our most strategic decision in this area is to engage in long-term strategic renewable energy contracts, which will help reduce dependence on fossil fuel-based electricity. We also set a 2030 Science Based Target for Scope 1 and 2 emissions that aligns to 1.5-degree scenario and was verified by the SBTi. The time horizon for this strategy is long-term, as are our goals and renewable energy contracts.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Assets	<p>Our Climate Change Analysis Tool (CCAT) allows AT&T to identify both climate-related risks and opportunities. Our climate adaptation strategy includes both our current assets as well as the siting of future assets such as network equipment, central offices, and retail stores. Making current and future assets more climate resilient has significant potential cost savings opportunities, as it helps to ensure we maintain service in the face of future climate change impacts.</p> <p>Case study and Time horizon: Situation: To mitigate the financial impact of extreme weather disruptions on the company, AT&T wanted to understand the potential impact of climate change on its physical infrastructure. Task: Secure credible climate data in order to build a tool to visualize climate impacts on AT&T infrastructure.</p> <p>Action: AT&T’s CSR team met with Argonne National Labs to understand what it might take to get climate data in order for AT&T to build a tool that could visualize climate impacts on the company’s infrastructure. Once a concept had been developed, the CSR team met with multiple parts of the business including network, finance, and risk mitigation teams to discuss what elements the tool would need to help with network planning and financial risk mitigation. This input was factored into the development of the tool.</p> <p>Results: AT&T launched the CCAT tool first for the southwest region and in September 2020 announced its expansion to the contiguous U.S. states. We are now able to use CCAT to cross-reference fiber cable locations with projected inland and coastal flooding up to 30 years in the future (including short-, medium- and long-term time frames). We can also now visualize climate-</p>

		<p>related events impact such as projected droughts and wildfires on assets like copper lines, fiber cable locations, cell sites, and much more. We use this information in our strategic planning processes related to maintenance, disaster recovery and future construction decisions, so that we can best serve our customers and the communities. This modelling guides our evaluation of asset siting and maintenance processes, including deciding whether to elevate cell towers and other infrastructure in anticipation of sea level rise or to protect such assets with physical barriers. Looking ahead, AT&T is also developing a climate risk score that can be used in its design and planning of its wireless and fiber networks.</p>
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C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2015

Covered emissions in base year (metric tons CO₂e)

8,829,258

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

63

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

3,266,825.46

Covered emissions in reporting year (metric tons CO₂e)

5,788,258

% of target achieved [auto-calculated]

54.6703259434

Target status in reporting year

Replaced

Is this a science-based target?

Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition

1.5°C aligned

Please explain (including target coverage)

Original SBTi approved in 2020, then revised in recognition of urgent need for progress on emissions reduction. Approved SBTi goal is aligned to 1.5°C.

Target reference number

Abs 2

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2019

Covered emissions in base year (metric tons CO₂e)

6,523,060

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2035

Targeted reduction from base year (%)

100

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

0

Covered emissions in reporting year (metric tons CO₂e)

5,788,258

% of target achieved [auto-calculated]

11.2646825263

Target status in reporting year

New

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

Please explain (including target coverage)

AT&T has committed to be carbon neutral across its entire global operations by 2035. The company aims achieve net zero Scope 1 and 2 emissions.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers

Percentage of suppliers with a science-based target

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

Target year

2024

Figure or percentage in target year

50

Figure or percentage in reporting year

44

% of target achieved [auto-calculated]

Target status in reporting year

New

Is this target part of an emissions target?

no

Is this target part of an overarching initiative?

Science Based Targets initiative

Please explain (including target coverage)

As part of AT&T's Science-Based Targets (SBTs), AT&T will work to ensure that 50% of our suppliers (covering purchased goods and services, capital goods and downstream leased assets as a portion of spend) will set their own science-based Scope 1 and Scope 2 targets by 2024.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Target year for achieving net zero

2035

Is this a science-based target?

No, but we are reporting another target that is science-based

Please explain (including target coverage)

AT&T has committed to be carbon neutral across its entire global operations by 2035. The company aims to achieve net zero Scope 1 and 2 emissions.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	206	
To be implemented*	7,898	321,392
Implementation commenced*	428	20,168
Implemented*	8,793	259,537
Not to be implemented	23	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Transportation
Company fleet vehicle replacement

Estimated annual CO2e savings (metric tonnes CO2e)

7,129

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,700,000

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

Replacement of end-of-lease/end-of-life passenger fleet with hybrid vehicles.

Initiative category & Initiative type

Energy efficiency in buildings
Maintenance program

Estimated annual CO2e savings (metric tonnes CO2e)

35,759

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,961,018

Investment required (unit currency – as specified in C0.4)

12,859,601

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Energy-impacting optimization, upgrade and repair to building infrastructure and systems - 50 completed projects.
Central Office Optimization project to implement and optimize Enterprise Building Management System using advanced analytics and Machine Learning - 219 completed projects.
Total of 269 completed projects.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

155,814

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

18,253,470

Investment required (unit currency – as specified in C0.4)

22,404,090

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Decommission of network assets as part of network transformation to Software Defined Networks (SDN) with Network Functions Virtualization (NFV). 5,276 projects completed.

Initiative category & Initiative type

Other, please specify

Other, please specify

Real Estate decommission and disposition

Estimated annual CO2e savings (metric tonnes CO2e)

39,833

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

5,847,452

Investment required (unit currency – as specified in C0.4)

64,000,000

Payback period

11-15 years

Estimated lifetime of the initiative

Ongoing

Comment

Annualized energy impact of closure and reduction of square footage of real estate. 191 projects completed. Payback calculated as exclusive to energy savings.

Initiative category & Initiative type

Energy efficiency in buildings
 Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

21,003

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,816,832

Investment required (unit currency – as specified in C0.4)

3,399,940

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Phase Change thermal energy storage “BioPC Mats” for Mobility cell site huts to moderate internal temperatures and HVAC mechanical cooling. 2,400 projects completed. Installation of automatic temperature set-back thermostats for Mobility cell site huts to enforce setpoint policy. 661 projects completed. Total of 3,061 projects completed.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	The AT&T Implementation, Provisioning & Optimization organization, led by an Assistant Vice President (AVP), has a dedicated team focused on implementing, governing and monitoring energy efficiency and conservation projects.
Employee engagement	Employee engagement is important to our success, and there are several ways we engage our employees on environmental issues – and energy savings in particular. The Energy Savings Project Tracking Tool was created to track existing Energy Saving Trial Projects and now allows all individuals to submit their own Energy Saving ideas. Employees are highly encouraged to share their own ideas or ideas shared through their relationships with outside vendors. We are gathering fresh ideas and concepts that we can review and possibly trial to reduce our energy consumption and drive down costs. We notify submitters if their idea has been selected, and we keep them involved if their ideas are approved for trial. After the trial is completed, depending on the results and how much success is achieved – we may create a scaled nationwide program.
Internal incentives/recognition programs	Progress toward and achievement of the stated goals is part of the annual performance objectives and rating process for executives and managers in the business units collaborating toward these goals. Consideration is given to performance against annual objectives when assigning merit-based salary and annual bonus awards. In addition to monetary awards, we provide incentives in form of recognition. To promote accountability and drive results, we use an Energy Scorecard to benchmark the energy performance at our top 800 energy-consuming facilities and 1,200 retail locations. The Scorecard reports energy management at each of these facilities, and we use this information to set benchmarks and goals for each facility. In addition, Scorecards report on projects and initiatives undertaken by the Energy Champions and with the Network Decommissioning Program. The Scorecards are published quarterly and accessible to all Energy Champions, Corporate Real Estate directors and network to enable them to see clearly how their energy use is trending. Quarterly, the Energy Team — headed by the Energy AVP — reviews performances and gives each 'scorecarded' facility a grade, determined not only by savings results, but also by the types of initiatives attempted by the facility personnel.

<p>Other Energy Industry Leadership and Collaboration</p>	<p>We collaborate with others in the industry and across our supply chain to develop more efficient products and practices. AT&T was a founding member in The Green Grid, a global consortium dedicated to advancing energy efficiency in data centers and business computing ecosystems, and GreenTouch, an industry consortium whose mission is to deliver the architecture, specifications and roadmap to increase network energy efficiency by a factor of 1,000 compared to 2010 levels. We are also a member and Chair the Board of Directors of the Alliance for Telecommunication Industry Solutions (ATIS), the North American telecommunications standards development organization, and we also initiated and now vice-chair the STEP-TEE (Sustainability in Telecom: Energy and Protection - Telecommunications Energy Efficiency) committee, which developed a methodology for measuring and reporting the energy efficiency of telecommunications equipment. AT&T is involved with the US Green Building Council (USGBC) and its Leadership in Energy and Environmental Design (LEED) program, a third-party verification program for green building. Several of AT&T's facilities currently have prestigious and coveted LEED Platinum or Gold certifications. Finally, AT&T participates at the individual level in industry peer organizations such as Edison Electric Institute (EEI) and its Customer Advisory Group (CAG), as well as the Association of Energy Engineers (AEE).</p>
<p>Other Network transformation</p>	<p>In our internal network organizations, programs and structures are in place to carefully engineer the transformation from our legacy network architecture toward AT&T's Software Defined Network (SDN) through Network Functions Virtualization, and to evaluate our capacity needs across every platform and layer. Through this, we craft and execute on detailed plans to eliminate capacity and componentry that is not required for the longer vision of the AT&T SDN. The removed components represent incremental reduction in our electrical and environmental (cooling) load, as well as our space requirements.</p>
<p>Other Low carbon purchase strategy</p>	<p>AT&T continues to be one of the largest corporate purchasers of renewable energy in the U.S. AT&T announced that its renewable energy purchases will surpass 1.5 gigawatts (GW) domestically. Together, AT&T's domestic renewable energy purchases to date are expected to reduce greenhouse gas (GHG) emissions by an amount equivalent to providing</p>

	<p>electricity for more than 560,000 homes or taking 690,000 cars off the road for 1 year. The total annual energy produced is also enough to power New York City for approximately 1 month.</p> <p>In Argentina, we've reached a 1,200 megawatt-hours (MWh)/year agreement to contribute renewable energy to the grid supporting our DIRECTV central office through 2025. And in Mexico, we're implementing a 40 gigawatt-hours (GWh)/year agreement to supply renewable energy to approximately 1,200 network sites.</p>
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

MODERN WORKPLACE: When we evaluated our carbon reduction impact as part of our Gigaton goal, we found technology solutions that have changed the way we work have the largest GHG reduction impact. The solutions included in this impact area are web or Video Conferencing (both TelePresence and desk-based), Cloud Connectivity, and Telecommuting/Remote Working. The details of the research and case studies that we used to estimate the carbon reduction potential of these solutions can be found at att.com/gigaton.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Evaluating the carbon-reducing impacts of ICT

% revenue from low carbon product(s) in the reporting year

21

Comment

As reported in our 2020 corporate annual report, revenues from Business Solutions were nearly \$36 billion, representing approximately 21% of our 2020 total operating revenues of approximately \$172 billion. The entire 21% is not necessarily generated from “climate change products.” We do not disclose specific service offering revenues.

Level of aggregation

Product

Description of product/Group of products

TRANSPORTATION: When we evaluated our carbon reduction impact, we found that technology solutions that change how we move people or things have the second largest GHG reduction impact. The solutions included in this impact area are Connected Shipping Pallet, Electric Vehicle Charging, and Fleet Management. AT&T is one of the largest U.S. wireless providers of fleet management solutions for commercial truck and van fleets. AT&T’s technician vehicles are equipped with similar solutions, and optimizing our fleet operations is a crucial component of making real changes. We use best practices to efficiently manage our fleet every day, and we continue to explore new ways to reduce fuel use and drive fewer miles. These efficiencies can lead to reduced energy waste and GHG emissions. The details of the research and case studies that we used to estimate the carbon reduction potential of these solutions can be found at att.com/gigaton.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Evaluating the carbon-reducing impacts of ICT

% revenue from low carbon product(s) in the reporting year

21

Comment

As reported in our 2020 corporate annual report, revenues from Business Solutions were nearly \$36 billion, representing approximately 21% of our 2020 total operating revenues of approximately \$172 billion. The entire 21% is not necessarily generated from “climate change products.” We do not disclose specific service offering revenues.

Level of aggregation

Product

Description of product/Group of products

10X CASE STUDIES: As we collaborate with customers to develop innovative Internet of Things solutions, we are developing case studies to estimate the greenhouse impact of those solutions. These case studies quantify the GHG emissions reduction potential that AT&T technology enables in a wide range of impact areas, such as rice farming, smart buildings, energy efficient network equipment, EV charging, and pipeline leak detection. These case studies can be found on our 10x goal website: www.att.com/10x. In all of these examples, AT&T connectivity enabled an operational or business model that reduced emissions. While modern workplace and transportation solutions represent the majority of our carbon-reducing solutions at this time, we also evaluated technology solutions in the following areas: Consumer/Retail; Energy; Food, Beverage & Agriculture; Healthcare; Industrial; Smart Cities and Buildings. The details of the research and case studies that we used to estimate the carbon reduction potential of these solutions can be found at att.com/gigaton.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Evaluating the carbon-reducing impacts of ICT

% revenue from low carbon product(s) in the reporting year

21

Comment

As reported in our 2020 corporate annual report, revenues from Business Solutions were nearly \$36 billion, representing approximately 21% of our 2020 total operating revenues of approximately \$172 billion. The entire 21% is not necessarily generated from “climate change products.” We do not disclose specific service offering revenues.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2015

Base year end

December 31, 2015

Base year emissions (metric tons CO₂e)

1,134,340

Comment

Base year has been updated when resetting Science-Based Target (SBT) to 1.5 degrees in 2020.

Scope 2 (location-based)

Base year start

January 1, 2015

Base year end

December 31, 2015

Base year emissions (metric tons CO₂e)

7,694,918

Comment

Base year has been updated when resetting Science-Based Target (SBT) to 1.5 degrees in 2020.

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

6,729,577

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
 Energy Information Administration 1605B
 IPCC Guidelines for National Greenhouse Gas Inventories, 2006
 The Climate Registry: General Reporting Protocol
 The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
 The Greenhouse Gas Protocol: Scope 2 Guidance
 US EPA Center for Corporate Climate Leadership: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases
 US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity
 US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources
 US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources
 US EPA Emissions & Generation Resource Integrated Database (eGRID)
 Other, please specify
 US EPA Center for Corporate Climate Leadership: Waste Generated in Operations;
 IPCC Fifth Assessment Report (100 year GWPs); IEA GHG Emissions from Electricity Generation, OECD/IEA, Paris, 2020; Environment Canada NIR 2020 submission

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

US EPA Center for Corporate Climate Leadership: Waste Generated in Operations
 IPCC Fifth Assessment Report (AR5 – 100 year GWPs).
 IEA GHG Emissions from Electricity Generation, OECD/IEA, Paris, 2020. (Year 2018 data)
 Environment Canada National Inventory Report 1990-2018 (2020 submission)

C6. Emissions data

C6.1

(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1,044,751

Comment

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

5,635,263

Scope 2, market-based (if applicable)

4,743,507

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Refrigerant for international operations

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Refrigerant and associated emissions are not available. Compared to the rest of our portfolio this is considered de minimis and not relevant.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services**Evaluation status**

Relevant, calculated

Metric tonnes CO₂e

1,371,545

Emissions calculation methodology

Economic Allocation Model referencing the WRI/WBCSD GHG Protocol Corporate Standard <http://www.ghgprotocol.org/standards/corporate-standard>
Emissions calculated are based on the supplier specific economic allocation from 2018. Data for this Scope 3 emission source is for the previous year and not available for the current reporting year.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Numbers are extrapolated from representative sample suppliers to apply to total spend. Spend is AT&T Communications suppliers not including content &

entertainment companies, and not including suppliers' own upstream Scope 3 emissions. Calculations are based on economic allocation of 2019 data submitted by suppliers in 2020, noting that supplier self-reporting of emissions and revenue is beyond our operational control. Errors originating from suppliers' entries to CDP have been identified and corrected as much as possible; other sources of error include currency conversions. Some revenue data, especially from private companies, is not verifiable.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

183,376

Emissions calculation methodology

Economic Allocation Model referencing the WRI/WBCSD GHG Protocol Corporate Standard <http://www.ghgprotocol.org/standards/corporate-standard>
Emissions calculated are based on the supplier specific economic allocation from 2018. Data for this Scope 3 emission source is for the previous year and not available for the current reporting year.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Numbers are extrapolated from representative sample suppliers to apply to total spend. Spend is AT&T Communications suppliers not including content & entertainment companies, and not including suppliers' own upstream Scope 3 emissions. Calculations are based on economic allocation of 2018 data submitted by suppliers in 2019, noting that supplier self-reporting of emissions and revenue is beyond our operational control. Errors originating from suppliers' entries to CDP have been identified and corrected as much as possible; other sources of error include currency conversions. Some revenue data, especially from private companies, is not verifiable.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

All relevant fuel-and-energy-related activities are calculated and included in Scopes 1 and 2.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

131,934

Emissions calculation methodology

Economic Allocation Model referencing the WRI/WBCSD GHG Protocol Corporate Standard <http://www.ghgprotocol.org/standards/corporate-standard>
Emissions calculated are based on the supplier specific economic allocation from 2018. Data for this Scope 3 emission source is for the previous year and not available for the current reporting year.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Numbers are extrapolated from representative sample suppliers to apply to total spend. Spend is AT&T Communications suppliers not including content & entertainment companies, and not including suppliers' own upstream Scope 3 emissions. Calculations are based on economic allocation of 2018 data submitted by suppliers in 2019, noting that supplier self-reporting of emissions and revenue is beyond our operational control. Errors originating from suppliers' entries to CDP have been identified and corrected as much as possible; other sources of error include currency conversions. Some revenue data, especially from private companies, is not verifiable.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

65,646

Emissions calculation methodology

Per new EPA guidance, AT&T used EPA's Emission Factors Hub (Waste Generated in Operations, 2020) to calculate waste emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

AT&T waste generated includes corrugated containers, office paper, lumber, yard trimmings, mixed paper, mixed metals, mixed plastics, mixed recyclables, food waste, mixed organics, construction debris and mixed municipal solid waste. AT&T utilized the EPA's Emission Factors Hub to report emissions from several different waste management practices.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

37,044

Emissions calculation methodology

Business travel calculations are based on the following emission factors: DEFRA (2020) for air travel, The Climate Registry (2020) for rental cars, and EPA Emission Factors Hub (Employee Commuting, 2020) and DEFRA (2020) for rail travel.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Given the emergence of alternatives to rental cars for local business transportation (Uber, Lyft, etc.), we know that there is now a segment of business travel that is essentially unaccounted for. We believe that, with some development effort, we may be able to at least partially close this gap in future reports.

Employee commuting

Evaluation status

Not evaluated

Please explain**Upstream leased assets**

Evaluation status

Not relevant, explanation provided

Please explain

All upstream leased assets are included in Scope 1 or Scope 2.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable to AT&T – we do not sell products that are processed by other companies.

Use of sold products

Evaluation status

Relevant, not yet calculated

Please explain

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Downstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

2,723,766

Emissions calculation methodology

The average estimated electricity usage per set-top box (STB) and per remote gateway (RG) were multiplied by the number of STB/RG in circulation in 2020. Based on this kWh value, the national eGRID 2019 emission factors were applied to calculate the estimated greenhouse gas emissions total for downstream leased assets. Non-U.S. STBs/RGs were also calculated for Mexico and Latin America using IEA 2018 emissions factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

AT&T completed the calculations using its own inventory data from Global Supply Chain and Marketing, and using electrical test data for the subject components.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable to AT&T – we don't franchise.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable to AT&T – we are not a financial institution.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000337

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

5,788,258

Metric denominator

unit total revenue

Metric denominator: Unit total

171,760,000,000

Scope 2 figure used

Market-based

% change from previous year

6.42

Direction of change

Decreased

Reason for change

We are comparing 2020 market-based emissions to 2019 market-based emissions: Scope 1 & 2 Emissions: 11.3% (Decrease) Revenue: 5.21% (Decrease) (Formula: 5.79 Million mt CO₂e/\$171.760 Billion dollars) Emissions reduction activities, as well as the continuing impact of RECs for Large Scale Renewable Energy drove the numerator changes.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	758,764	IPCC Fifth Assessment Report (AR5 – 100 year)
CH ₄	936	IPCC Fifth Assessment Report (AR5 – 100 year)
N ₂ O	6,484	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	278,567	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO ₂ e)
United States of America	1,026,422
Other, please specify Rest of world	18,330

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO ₂ e)
Ground fleet	546,294
Refrigerant	278,567
Stationary Generators	114,533

Fuel	92,705
Flight Ops	5,613
Portable Generators	7,039

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	5,394,510	4,498,854	13,583,027	2,321,499
Other, please specify Rest of world	240,753	244,652	587,248	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
Electric power	5,624,042	4,732,286
Steam	8,946	8,946
Chilled water	2,275	2,275

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	73,807	Decreased	1.1	Additional renewable energy certificate (REC) purchases resulted in a decrease of 73,807 MT CO2e. Compared to total Scope 1 and 2 emissions in 2019, this comprises 1.1% of the overall change in emissions. This figure utilizes the CY 2020 Scope 2 market-based figure compared to CY 2019's market-based total ($73,807/6,525,043 \times 100 = 1.1\%$).
Other emissions reduction activities	257,554	Decreased	4	Emissions reductions activities reduced our Scope 1 and 2 emissions by approximately 257,554 MT CO2e. When compared to the CY 2019's market-based total of 6,525,043 MT CO2e, this results in a 3.9% decrease ($257,554/6,525,043 \times 100 = 4.0\%$)
Divestment				
Acquisitions				
Mergers				
Change in output				

Change in methodology	472,742	Decreased	7.2	The methodology for scope 2 market-based accounting was updated to include improved RECs allocation and additional supplier/utility emission rates. The net impact is a decrease of 7.2% ($472,742/6,525,043*100 = 7.2\%$).
Change in boundary	118,324	Increased	1.8	Refrigerant emissions from additional facilities were incorporated into AT&T's inventory starting in CY 2020 as data became available. The overall change in emissions is an increase of 1.8% ($118,324/6,525,043*100 = 1.8\%$).
Change in physical operating conditions				
Unidentified				
Other	49,023	Decreased	0.8	EPA released new eGRID summary tables in 2021 (eGRID 2019) and these emissions factors have been applied based on subregion. Additionally, there were some minor increases and decreases in consumption figures. The estimated net decrease in emissions is 0.8% ($49,023/6,525,043*100 = 0.8\%$).

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	15,493	3,078,249	3,093,742

Consumption of purchased or acquired electricity		63,712	14,044,422	14,108,134
Consumption of purchased or acquired steam		0	39,486	39,486
Consumption of purchased or acquired cooling		0	12,658	12,658
Consumption of self-generated non-fuel renewable energy		966		966
Total energy consumption		80,171	17,174,815	17,254,986

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

433,589

MWh fuel consumed for self-generation of electricity

10,053

MWh fuel consumed for self-generation of heat

423,536

Emission factor

1.21

Unit

lb CO₂e per 1000 cubic ft³

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

625,173

MWh fuel consumed for self-generation of electricity

448,293

MWh fuel consumed for self-generation of heat

176,880

Emission factor

22.55

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

10,017

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

10,017

Emission factor

22.64

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

5,206

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

5,206

Emission factor

22.55

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

55,821

MWh fuel consumed for self-generation of electricity

29,987

MWh fuel consumed for self-generation of heat

25,835

Emission factor

12.7

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

1,858,128

MWh fuel consumed for self-generation of electricity

835

MWh fuel consumed for self-generation of heat

1,857,293

Emission factor

19.48

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Compressed Natural Gas (CNG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

56,575

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

56,575

Emission factor

15.01

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2,122

MWh fuel consumed for self-generation of electricity

2,122

MWh fuel consumed for self-generation of heat

0

Emission factor

22.65

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Other, please specify
Renewable Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

15,493

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

15,493

Emission factor

11.37

Unit

lb CO₂e per gallon

Emissions factor source

2019 Clean Energy Fuels Carbon Intensity (supplier)

Comment

Supplier provided

Fuels (excluding feedstocks)

Other, please specify

Jet Fuel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

22,595

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

22,595

Emission factor

21.67

Unit

lb CO₂e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Other, please specify
B20

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

180

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

180

Emission factor

22.17

Unit

lb CO2e per gallon

Emissions factor source

2020 Climate Registry Default Emission Factors (April 2020)

Comment

Emission factors for the U.S. are listed since most usage is domestic. Note that some emission factors will vary based on country.

Fuels (excluding feedstocks)

Other, please specify
E85

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

8,842

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

8,842

Emission factor

13.84

Unit

lb CO2e per gallon

Emissions factor source

GHG Protocol Emission Factors from Cross-Sector Tools (Version 1.3)

Comment

E85 is used for LATAM dataset only

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	291,556	287,839	4,713	996
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

7,500

Comment

Austin Energy GreenChoice RECs retired on behalf of AT&T.

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

2,261,505

Comment

Large-scale renewable energy with RECs purchased from ERCOT and NextEra.

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

52,494

Comment

Calpine Energy hydroelectric energy supply contract.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

25.08

Metric numerator

Total Scope 1+2 emissions

Metric denominator (intensity metric only)

AT&T Employees

% change from previous year

4.7

Direction of change

Decreased

Please explain

Emissions (Scope 1 + 2 MB): 11.3% decrease

Employees: 6.9% decrease

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

 2021_05_13_ATT_Assurance statement.pdf

Page/ section reference

Page 2

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

 2021_05_13_ATT_Assurance statement.pdf

Page/ section reference

Page 2

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

 2021_05_13_ATT_Assurance statement.pdf

Page/ section reference

Page 2

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

 2021_05_13_ATT_Assurance statement.pdf

Page/section reference

Page 2

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

 2021_05_13_ATT_Assurance statement.pdf

Page/section reference

Page 2

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Downstream leased assets

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

 2021_05_13_ATT_Assurance statement.pdf

Page/section reference

Page 2 - "Customer Product Electricity Use"

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.2


(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?


Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain

C8. Energy	Energy consumption	AA1000AS	<p>See page 2 - Energy Use - Scope 2. Total purchased or acquired electricity (C8.2a) was 3rd party verified. Verifier total has a de minimis discrepancy of less than 0.01%. Verification covered company-operations and is part of the annual verification criteria.</p> <p> 1</p>
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C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

1

% total procurement spend (direct and indirect)

78

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We focus on this group of suppliers because they represent roughly 80% of our spend, in line with our public goal to, by 2020, 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. Working with the CDP Supply Chain program, AT&T annually reaches out to about 350 of our suppliers, representing approximately 80% of our spend. Through the engagement with CDP Supply Chain, we collect climate change and carbon information from our suppliers.

Impact of engagement, including measures of success

Working with the CDP Supply Chain program, AT&T annually reaches out to about 350 of our suppliers, representing approximately 80% of AT&T Communications spend. We focus on our top 80% of spend as a way to enable our leadership in supplier engagement and track progress toward our public supply chain goals. AT&T continues to make progress with efforts including: incorporating sustainability clauses into agreements and RFPs, training our sourcing managers on the principles of sustainability and providing updates to sourcing managers on supplier sustainability performance. AT&T will continue to expand incorporation of sustainability-oriented standards and analyses into sourcing decisions.

We measure success in this engagement with an increase in the percent of suppliers providing reliable emissions data. In 2020, suppliers representing 63% of spend reported that they track GHG emissions and have specific GHG goals. As a result of our engagement with CDP Supply Chain, we were again able to report an annual estimate of our supplier emissions in our GHG reporting.

Comment

AT&T supplier emissions data collection does not partition emission data by type of supplier engagement. We are, therefore, opting to provide the % total procurement spend in lieu of the % of supplier-related Scope 3 emissions.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

Code of conduct featuring climate change KPIs

Climate change is integrated into supplier evaluation processes

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

For a company to fully understand its economic, environmental and social impact, it needs to understand its supply chain.

Collaboration with suppliers is crucial for both addressing major issues facing society and realizing opportunities for advancing a clean-energy economy, reducing greenhouse gas (GHG) emissions, reducing water usage and improving labor practices.

We believe it is important to understand more about the social, economic and environmental performance of our suppliers, and we expect our suppliers to share our commitment to citizenship and sustainability.

Given its reach, we believe our supply chain is an area where we have an extraordinary opportunity to streamline operations and reduce long-term costs, while simultaneously limiting our environmental impact and positively influencing social equality. AT&T has established several goals to guide our efforts.

We outline our Citizenship & Sustainability expectations in our Principles of Conduct for Suppliers, which all suppliers are required to acknowledge as part of our annual supplier sustainability assessment.

Impact of engagement, including measures of success

In 2020, AT&T Global Supply Chain continued to require suppliers to adhere to our Principles for Conduct and participate in assessments and audits. AT&T continues to make progress with efforts including incorporating sustainability clauses into agreements and RFPs, training our sourcing managers on the principles of sustainability and providing updates to sourcing managers on supplier sustainability performance. AT&T will continue to expand incorporation of sustainability-oriented standards and analyses into sourcing decisions. These efforts are part of our company goal to incorporate sustainability-oriented standards or analyses into our sourcing decisions with strategic suppliers. In addition to including climate change-related KPIs in our supplier Principles for Conduct, we are a member of the Joint Audit Cooperation (JAC), which facilitates collaboration among peer telecom companies and ICT suppliers to verify and audit supply chains on areas such as labor practices, human rights, health and safety, ethics and the environment. JAC CSR Audits are conducted by recognized independent third-party auditors at suppliers' manufacturing facilities using a common audit framework. If we become aware of suppliers at risk of non-compliance with social standards, we engage through the JAC with on-site CSR audits and corrective action plans. In 2020, JAC closed 610 corrective actions – 59% critical, 28% non-compliance and 13% unacceptable. JAC audits for AT&T suppliers included human rights reviews for over 7,674 individuals.

Comment

Supplier awareness on reporting emissions is gradually improving year over year. However, AT&T supplier emissions data collection does not partition emission data by type of supplier engagement. We are, therefore, opting to provide the % total procurement spend in lieu of the % of supplier-related Scope 3 emissions.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

% of suppliers by number

1

% total procurement spend (direct and indirect)

78

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

In 2020, working with our TL 9000 industry group, TIA-QuEST Forum, we helped to advance an industry sustainability measurement tool, the QuEST Sustainability Assessor. This tool provides actionable best practices for organizations that help accelerate their sustainability programs. Since 2017, more than 325 of our suppliers have completed the assessor tool. AT&T suppliers are currently using CDP Supply Chain and QuEST Sustainability Assessor metrics to measure and report their GHG emissions and sustainability progress. This provides our company and the other participating companies the necessary means to benchmark supplier emissions and work with suppliers on making improvements.

We recognize suppliers based on their continued focus on delivering sustainable products, efforts towards reducing greenhouse gas emissions and outstanding performance on the QuEST Sustainability Assessor aligning on TL 9000 quality standards across 10 areas of sustainability.

Impact of engagement, including measures of success

AT&T annually reaches out to about 350 of our suppliers, representing approximately 80% of AT&T Communications spend. In alignment with our 2020/2025 goals of leading our supply chain to improve its social and environmental impacts by integrating sustainability metrics into our sourcing decisions, we are focusing on standardized industry metrics. Through our work with CDP Supply Chain, the Joint Audit Cooperation (JAC) and TIA-QuEST Forum, we work to move our suppliers along an industry roadmap to continuously improve measurements benchmarking and results in sustainable supplier performance. Since 2017, more than 325 of our suppliers have completed the assessor tool. In 2020, TIA/QuEST Forum recognized AT&T with its “340 Club” award for exhibiting exceptional membership participation in its activities and our employees’ investment of time and effort in multiple workgroups, sub-teams and regions.

Comment

AT&T supplier emissions data collection does not partition emission data by type of supplier engagement. We are, therefore, opting to provide the % total procurement spend in lieu of the % of supplier-related Scope 3 emissions.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

21

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

In 2015, AT&T established a goal to enable carbon savings 10 times the footprint of our operations by 2025 by enhancing the efficiency of our own operations and delivering services that enable our customers to avoid carbon emissions. We collaborated with BSR and the Carbon Trust to develop a methodology which allows us to measure progress toward this goal. As part of this goal, we actively engage with our Business customers to develop case studies highlighting how AT&T products enable emissions reductions and environmental efficiencies. We work with our sales and marketing teams as well as through organizations in which we are members to identify potential customers with which we could develop a new service that reduces carbon emissions or quantify and promote the carbon benefits of a service we've already developed and implemented. We focus on those customers that have indicated a commitment to sustainability and carbon reduction and then collaborate with them to develop case studies. We have developed eleven 10x case studies that quantify the GHG emissions reduction potential that AT&T technology enables in a wide range of impact areas, from rice farming and smart buildings to food waste and efficient irrigation. As of the end of 2020, our current 10x factor is approximately 5.5x. These case studies can be found on www.att.com/10x. Using these real-world examples allows us to turn the idea of tech-enabled GHG reductions into a relatable story for other customers. We expect that these concrete examples can help expand the conversations we have with our customers.

Following AT&T's commitment to achieve net zero Scope 1 and 2 emissions by 2035, we sought a more ambitious goal for enablement of customer GHG emissions reductions. In 2021, we retired our 10x goal and announced the

AT&T Gigaton Goal to deliver connectivity solutions that enable business customers to reduce a gigaton (1 billion metric tons) of GHG emissions by 2035.

Impact of engagement, including measures of success

We measure success of our 10x program using the methodology outlined on our website, www.att.com/10x. The methodology, developed in collaboration with BSR and the Carbon Trust, defines how we’ll estimate the carbon abatement potential of our services. In order to meet our goal, the annual carbon abatement we identify from our solutions from 2015-2025 will be at least 10 times our Scope 1+2 emissions in 2025. The case studies we publish as part of our 10x goal highlight examples of how we enable customers to reduce their own emissions and provide the carbon abatement factors for various solutions we sell to customers, thereby allowing AT&T to track progress toward our 10x goal. Through numerous internal initiatives, AT&T’s 2020 operational footprint decreased to approximately 5.8 million metric tons of CO₂e. Our 2020 calculation of tracked customer GHG emissions savings enabled by AT&T reached an annualized 31.3 million metric tons of CO₂e – achieving nearly 55% of our 2025 10x goal. An overview of this calculation can be found at www.att.com/10x. As reported in our 2020 corporate annual report, Business Solutions accounted for nearly \$36 billion in operating revenue, representing approximately 21% of our 2020 total operating revenues of approximately \$172 billion. For proprietary reasons, we do not disclose specific service offering revenues.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	AT&T is a signatory to the Set-Top Box (STB) Voluntary Agreements (VA) for Ongoing Improvements in the Energy Efficiency of Set-Top Boxes and Small Network Equipment (SNE). The VAs were adopted	The VA aims to continue improvements in the energy efficiency of STBs used in the delivery of services by Service Providers, thereby further reducing potential environmental impact and increasing benefits

		to drive improvements in the energy efficiency of STBs and SNE while encouraging innovation and competition.	to customers. The Agreement is expected to avoid 9.3 million mtons of CO2 each year once the benefits of the commitments are fully realized. The Agreement requires new reporting on the availability and use of apps that offer consumers an alternative to using STBs for every screen, and includes a commitment to achieve rigorous third-tier energy performance levels by 2020.
Carbon tax	Support	AT&T is a founding member of the Climate Leadership Council (CLC). We support the CLC’s plan that envisions a rising fee on carbon emissions, rebating revenues as dividends to all Americans, a border-adjustment mechanism and regulatory simplification.	The CLC works to promote a carbon dividends plan as a bipartisan, market-based solution to help reduce U.S. emissions. The plan envisions a rising fee on carbon emissions, rebating revenues as dividends to all Americans, a border-adjustment mechanism and regulatory simplification.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Global eSustainability Initiative (GeSI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

The Global eSustainability Initiative (GeSI) fosters open cooperation across international boundaries and the promotion of technologies that foster sustainable development. GeSI brings together leading ICT companies — including telecommunications service providers and manufacturers as well as industry associations — and nongovernmental organizations committed to achieving sustainability objectives through innovative technology. Through the GeSI organization, AT&T is represented in projects and activities centered in the three primary focus areas of GeSI. Those focus areas are Climate Change (i.e., energy efficiency, SMART 2020, ICT KPIs), Supply Chain (i.e., conflict minerals) and Human Rights. In 2015, Accenture conducted a study (SMARTer 2030) on behalf of the Global eSustainability Initiative (GeSI) and its member companies including AT&T. The SMARTer 2030 report showed that the information and communications technology (ICT) industry can enable a low-carbon society and help respond to the climate change challenge by 2030. ICT-enabled solutions offer the potential to reduce GHG emissions by 9.7 times the amount of carbon emitted.

How have you influenced, or are you attempting to influence their position?

We support the group’s position that the information communications technology (ICT) industry can enable a low-carbon society and help respond to the climate challenge.

Trade association

Business Roundtable

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association’s position

BRT’s Statement on Climate Change: “Because the consequences of global warming for society and ecosystems are potentially serious and far-reaching, steps to address the risks of such warming are prudent even now, while the science continues to evolve. The Business Roundtable supports collective actions that will lead to the reduction of greenhouse gas (GHG) emissions on a global basis with the goal of slowing increases in GHG concentrations in the atmosphere and ultimately stabilizing them at levels that will address the risks of climate change. These actions need to be coordinated with efforts to address other urgent world priorities, such as reducing poverty, improving public health, reducing environmental degradation and raising living standards. Reliable and

affordable world supplies of energy are essential for meeting these challenges. Although Business Roundtable supports actions to address global warming, our members have a range of views and preferences about the policy tools that will best achieve that objective. Some companies support mandatory approaches; others do not. Recognizing that legislation and regulation are under consideration, Business Roundtable supports an open and constructive dialogue about the principles that should shape climate policy and the pros and cons of various options.”

How have you influenced, or are you attempting to influence their position?

AT&T recognizes that climate change is happening, that greenhouse gas emissions are contributing to it, and that transitioning to a more resource efficient world will be a primary determinant of success in the 21st century global economy. We also believe that our technology is central to the success of this emerging global economy. Accordingly, we are committed to helping our customers retain their competitive edge in the global marketplace by leveraging our broadband network and services to create more economic value while reducing their energy consumption and emissions. We are also deeply committed to ongoing research, development and innovation that will introduce future products and services to help our customers live their lives and run their businesses more sustainably. At the same time, we must also continually strive to reduce our own energy intensity and greenhouse gas emissions in all of our operations. We are mindful that, as demand for our products and services increases, the amount of energy needed to power our network will also increase. Despite this challenge, we are committed to operating in an environmentally responsible and sustainable manner through energy and water conservation and by focusing our efforts where they will have the most impact. We are also committed to working with our suppliers to limit environmental impacts and greenhouse gas emissions in our supply chain.

Trade association

U.S. Chamber of Commerce

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

According to the U.S. Chamber’s website:

“The climate is changing and humans are contributing to these changes. We believe that there is much common ground on which all sides of this discussion

could come together to address climate change with policies that are practical, flexible, predictable and durable. We believe in a policy approach that acknowledges the costs of action and inaction and the competitiveness of the U.S. economy.”

How have you influenced, or are you attempting to influence their position?

AT&T recognizes the importance of transitioning to a world that is more resource efficient. We believe that the ability to increase resource efficiency and reduce greenhouse gas emissions will be a primary determinant of success in the 21st century world economy. We also believe that technology is an important component of this transition.

Trade association

Consumer Technology Association (CTA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

According to CTA’s website: “Industry initiatives are helping to make recycling our old electronics as easy as buying new ones. Today’s consumers have more access and resources for recycling devices at the end of their life. Manufacturers across the country are committed to reducing e-waste and adverse environmental effects. However, state proposals to regulate recycling requirements with arbitrary burdens and costs threaten to stifle the industry’s success. We support smart, collaborative approaches to improving electronics recycling and increasing sustainability. Through industry-led programs and initiatives, we have already made significant progress.” And: “Through innovation and robust competition, today’s tech devices are faster, smarter and more efficient than ever before. Each year, the industry’s progress toward greater energy efficiency saves consumers millions of dollars while reducing greenhouse gas emissions. Although many policymakers share the industry’s goal of improving energy efficiency, proposals seeking to regulate energy consumption are counter. For the greatest success, the government should track energy efficiency rather than regulate it. Through voluntary agreements, we proactively help improve energy efficiency standards and practices.”

How have you influenced, or are you attempting to influence their position?

We work collaboratively with CTA on limiting the energy consumption of our devices and through our participation as a signatory to the Set-Top Box and

Small Network Equipment Voluntary Agreements (VAs) for Ongoing Improvements in the Energy Efficiency of Set-Top Boxes and Small Network Equipment. The VAs provide a non-regulatory structure to encourage industry to continuously pursue energy efficiency, while protecting innovation and competition.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

One of our Assistant Vice Presidents for Public Policy oversees issues related to sustainability and acts as a liaison between our internal policy and sustainability teams. That designee meets regularly with our sustainability operations team on topics including climate change issues. Additionally, AT&T's Senior Vice President for Global Public Policy sits on our internal officer-level CSR Governance Council, providing guidance from a policy perspective on issues such as climate change that come before the committee. Ensuring further alignment, both our Chief Sustainability Officer and our SVP of Global Public Policy reported in 2020 to the same officer, our Senior Executive Vice President for External & Legislative Affairs.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 ATT 2021 Definitive Proxy Statement.pdf

Page/Section reference

AT&T Proxy - Page: 11 (PDF) or SUM3 (Report)

Content elements

Governance
Strategy
Emissions figures
Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 ATT Climate Change Issue Brief.pdf

Page/Section reference

Climate Change Issue Brief - Page 2-3

Content elements

Governance
Strategy
Risks & opportunities

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 ATT ESG Summary May 2021.pdf

Page/Section reference

May 2021 ESG Summary - Pages: 4, 17-19, 25-28, 30-38, 39-41

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 ATT SASB Index.pdf

Page/Section reference

SASB Index - Pages: 2, 5

Content elements

Other metrics

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 ATT TCFD Index.pdf

Page/Section reference

TCFD Index - Pages 1-3

Content elements

Governance

- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Executive Vice President and Chief Financial Officer, AT&T Inc.	Chief Financial Officer (CFO)