

S&P Global Sustainable1 Assurance

AT&T assurance statement: AA1000AS v3

S&P Global Sustainable1, a business of S&P Global Inc. (hereafter, “Sustainable1”) was engaged by AT&T to provide assurance of the environmental data held within its 2023 CDP Response and 2022 Sustainability Report.

Intended users

The intended users of this assurance statement are the management and stakeholders of AT&T.

Responsibilities of AT&T and assurance provider

The management of AT&T has sole responsibility for the preparation and content of the Sustainability Report and CDP Climate Change Response (hereafter, “CDP”). Sustainable1’s statement represents its independent and balanced opinion on the content and accuracy of the information and environmental data held within.

Assurance standard

Sustainable1 undertook the assurance in accordance with AA1000AS v3 (2020) Type 2 moderate-level assurance, covering:

- ✓ Evaluation of adherence to the AA1000AP (2018) Principles of inclusivity, materiality, responsiveness, and impact (the principles)
- ✓ The reliability of specified environmental performance information (greenhouse gas emissions)

Sustainable1 used the Global Reporting Initiative (GRI) and the GHG Protocol to evaluate AT&T’s performance information and adherence to the Principles.

Scope and limitations

Sustainable1 was engaged to assure the data and claims in AT&T’s 2022 external reporting, encompassing the period of 1 January 2022 – 31 December 2022. Sustainable1 was asked to assure reporting for Scope 1, Scope 2, and Scope 3 (Category 5, 6, and 13). AT&T took an operational control approach.

SCOPE	SOURCE	UNIT	QUANTITY
GHG Scope 1	Flight Operations	Metric tonnes CO ₂ e	5,970
	Fuel Oil 1		1,289
	Fuel Oil 2		615
	Natural Gas		69,994
	Propane		2,646
	Ground Fleet		472,241
	Portable Engines		5,288
	Stationary Engines		105,188
	Refrigerants		249,125
	Diesel		4,475
Gasoline	207		
GHG Scope 2	Electric Power- Location Based	Metric tonnes CO ₂ e	4,951,969
	Electric Power- Market Based		3,850,616
	Chilled Water		1,261
	Steam		9,286
GHG Scope 3	Category 5: Waste Generated in Operations	Metric tonnes CO ₂ e	72,160
	Category 6: Business Travel		68,699
	Category 13: Leased Assets		700,304

**These values are rounded to the nearest whole number*

Minor discrepancies were noticed during the verification process. For Scope 1 and 2 data, a few supporting documents were not available and Sustainable1 reviewed the data based on the calculations and methodology provided by AT&T. AT&T has taken incremental steps to track its GHG inventory and improve the accuracy of its data.

Sustainable1 verified the environmental impacts, as calculated by AT&T, given in the table mentioned above.

Methodology

Sustainable1's assurance activities included the following:

- Review of the processes by which AT&T defines the sustainability issues that are relevant and material to its operations and its stakeholders.
- Interviews with managers responsible for sustainability performance and data collection.
- Assessment of the extent to which AT&T's sustainability activities adheres to the Principles.
- Review of processes and systems used to gather and consolidate environmental data. The data sources that Sustainable 1 reviewed includes invoices, spreadsheets and other data points.
- Verification of data accuracy for a selection of sites, including an audit of conversion factors, and calculations.

PRINCIPLE	COMMENTS
<p>Inclusivity: participation of stakeholders in developing and achieving accountable and strategic responses to sustainability</p>	<p>AT&T's stakeholders include customers, employees, suppliers, governments, investors, industry associations, and NGOs, peers within the telecommunications sector and others. Stakeholder feedback is received through a range of formats, such as materiality feedback, surveys, interviews, feedback sessions, and other internal systems such as the "Raise your Hand" platform.</p> <p>Examples of stakeholder feedback leading to action are numerous. For instance, the company developed a roadmap for electrification of its fleet because of queries and feedback from its Governance and Policy Committee, and insights from its employees. Feedback from business customers and others encouraged AT&T to expand its Scope 3 emissions reporting. The Governance and Policy Committee, which includes members of the Board and the Chief Sustainability Officer, has oversight of ESG and sustainability topics material to AT&T through periodic meetings throughout the year.</p>
<p>Materiality: determining relevance and significance of an issue to an organization and its stakeholders</p>	<p>AT&T conducts a materiality assessment every two to three years, with plans to begin its next assessment in YE 2023 or the beginning of 2024. Its most recent materiality assessment was conducted in the last quarter of FY2021 with the help of a third-party consultant. One of the key insights from this assessment highlighted the need for tracking and measuring AT&T's Scope 3 emissions. AT&T engages with its suppliers regularly to encourage them to set SBTi-approved science-based emissions reduction targets and aims to also set its own Scope 3-related goals in FY2024. Product lifecycle management was identified as another key issue, for which the company began testing new recovery options with customers in 2023. Another aspect of the materiality assessment is qualitative interviews with AT&T's Governance and Policy Committee, which emphasized certain ESG-related risks that are material to the company's operations. In FY2022, the company continued to map its material ESG topics against certain UN Sustainable Development Goals (SDGs), including SDG 3,5,9 and 13. The company plans to update its alignment to SDGs as per insights from its next materiality assessment. With respect to diversity, equity and inclusion, AT&T has taken steps to improve its performance with respect to gender equality and inclusion of diverse communities within its workforce. The company discloses its workforce diversity metrics to ensure transparency.</p>

<p>Responsiveness: an organization's response to stakeholder issues that affect its sustainability performance, which is realized through decisions, actions, and performance, as well as interaction with stakeholders</p>	<p>AT&T has several avenues through which stakeholders can voice their concerns, including feedback from the investor relations team, CEO and AT&T leadership views, emails, cultural surveys, 'lunch and learn' sessions organized across business units and others. Concerns and queries are responded to at the department level, with cross-department escalations when needed. Further, the company considers consistent feedback or common themes that emerge through the surveys to frame goals and strategies around specific areas.</p> <p>To actively receive feedback, AT&T conducts a monthly survey of consumer perceptions of AT&T, and it allows AT&T to gauge the perception of consumers regarding the specific actions AT&T can / does take around certain issues. Additionally, feedback via the board and other regular meetings has propelled additional action on items such as electronics recovery. Consequently, AT&T is testing and deploying various options to recover more devices from customers.</p>
<p>Impact: organizations should monitor, measure and be accountable for how their actions impact broader ecosystems</p>	<p>AT&T has set targets to reduce its absolute Scope 1 and Scope 2 GHG emissions by 63% (base year FY2015) by FY2030 and to achieve Net Zero emission by FY2035. The company is ahead of schedule to achieve these targets. In order to reduce its ground fleet emissions, AT&T has established a sustainability roadmap – it aims to undertake multiple initiatives, such as transitioning to low-emission vehicles, deploying technologies to optimize and improve fuel efficiency, identifying areas to introduce electric vehicles within its fleet, and reducing its overall fleet size. The company has taken efforts to consistently reduce its fleet size since FY2018, which has helped reduce the emissions impact of its fleet.</p> <p>AT&T also focuses on energy efficiency, improving the energy intensity of its network by moving more petabytes of data per megawatt hour of energy consumed while reducing emissions. AT&T may consider energy intensity targets moving forward to provide additional transparency on its network performance.</p>

Findings, conclusions, and recommendations

The Principles:

Nothing came to Sustainable1's attention to suggest that AT&T's CDP Response does not adhere to the AA1000 Principles.

Data reliability:

AT&T has implemented rigorous processes to collect and aggregate global energy consumption and GHG emissions. Upon evaluating this system, Sustainable1 found that data was accurate overall, and any minor corrections were made as necessary.

Assurance provider

Sustainable1 has been researching, standardizing and validating corporate environmental performance data since 2000. Sustainable1's research team has the relevant professional and

technical competencies and experience to conduct an assurance to the AA1000 standard.

Sustainable1 has conducted this assurance independently and impartially and in compliance with S&P Global's policies and procedures, including its Code of Business Ethics that provides a framework relating to ethical conduct, conflict of interest and compliance with law.

S&P Global Sustainable1, a business of S&P Global Inc.
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