verizon

Building the future

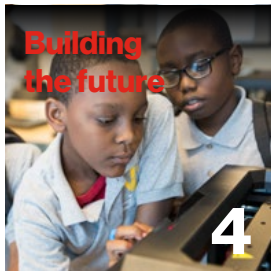
2017 Corporate Responsibility Report

Hosted by Corporate Register

We don't wait for the future.
We build it.

Hosted by Corporate Register

Table of contents



Strategy

5 President's letter
6 Verizon's CSR priorities
8 Economic impact

Humanability

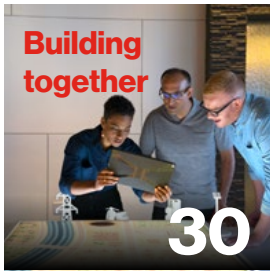
10 Humanability
11 Verizon Innovative Learning
14 Disaster response

Product Responsibility

16 Privacy
17 Safety
18 Accessibiltiy

Environment

20 Energy
22 Energy & emissions
24 Efficient mobility
25 Renewable energy | Environmentally efficient stores & facilities
26 Managing waste
28 Green Team
29 Water



V Team

31 How we work
32 Sharing our success
33 Diversity & inclusion
37 Veterans | Working with labor unions
38 Employee growth & development
39 Health & wellness
40 Safety | Pay & family benefits

Supply Chain

42 Our global supply chain | Supplier Code of Conduct
43 Supplier performance | Conflict minerals
44 Supplier diversity

Governance

46 Code of Conduct
47 Anti-corruption | Stakeholder engagement
48 Governance
49 Risk management | Human rights

Note: this report does not include data associated with our Oath subsidiary unless otherwise noted.

Hosted by Corporate Register

Building the future

Strategy

Hosted by Corporate Register

President's letter

"We're committed to using our technology and our assets to help build a brighter future."

At its core, our business connects people with each other and the world around them. Our technology powers connections that enable people, businesses and society to do amazing, groundbreaking things. That is an awesome power, and not something we take lightly. It's why we're committed to using our technology and our assets to help build a brighter future.

For example, our smart community and intelligent traffic solutions help people use resources more efficiently, making cities cleaner and more livable. And, we're creating innovative solutions to make the food supply chain safer, to make healthcare more accessible and to harness the power of 5G to turn innovative ideas into reality. These growing areas of our business are delivering increasing value to our shareholders while making a significant contribution to society.

Every day, we provide meaningful work and benefits, including a diverse and inclusive work environment, to more than 155,000 employees.

And every hour, we are diligent in safeguarding our customers' privacy and data security. We manage our supply chain responsibly to ensure our business is not adversely impacting the environment or societal values of communities around the globe, and we are working to reduce greenhouse gas emissions. In fact, our 2022 goal is for our networks and solutions to save more than twice the amount of emissions that our operations create and by 2025, our goal is to reduce the carbon intensity of our operations (a measure of the overall carbon we emit divided by the data carried by our networks) by 50 percent from the 2016 baseline.

Through our community investment, we are addressing a very important societal challenge outlined in the United Nations Sustainable Development Goal #4. Our society is on the cusp of the Fourth Industrial Revolution. As many as 77 percent of U.S. jobs in the year 2020 will require technology skills, according to experts. But millions of students lack access to technology and tech education in today's schools, setting them up to be left behind in the digital economy. We are helping to provide underserved middle school students with the skills needed to put them on the path to success in an increasingly technology-dependent economy, with a goal to reach 6 million students by 2023.

Lately, the notion of corporate purpose has been a hot topic of discussion. But at Verizon, we have never wavered – we are committed to sharing our success with the world around us to make it better. I invite you to learn about the many actions we took in 2017 in pursuit of our mission to deliver the promise of the digital age.

Rose

Rose Stuckey Kirk

Chief Corporate Responsibility Officer & President, Verizon Foundation

Hosted by Corporate Register

Verizon's CSR priorities

Guided by our Credo and rigorous stakeholder engagement

To establish our corporate responsibility priorities we started with our Credo, the set of principles that defines who we are and what our customers value. One of these principles is: We focus outward on the customer, not inward. With this in mind, in 2017 we partnered with Business for Social Responsibility (BSR), the global sustainability nonprofit, to engage our stakeholders in the process of identifying and prioritizing those environmental, social and governance (ESG) issues most relevant to our business. We interviewed customers, investors, employees, nonprofits and policymakers. We also considered how ESG issues impacted Verizon's operations, technology and innovation. The findings, depicted in the graphic to the right, inform our strategy and reporting.

Verizon's CSR priorities

TRANSFORMATIVE

Issues that could significantly change the impact of our business.

- Privacy, data security & freedom of expression
- Technology solutions to social issues
- Community investment

STRATEGIC

Issues that may represent risk or opportunity for the business.

- Employees
- Climate change
- Corporate governance

FUNDAMENTAL

Issues managed as part of responsible business practices.

- Supply chain standards
- Appropriate use of digital technology
- Content standards & user controls

Hosted by Corporate Register

Defining our purpose

Guided by our Credo and the stakeholder feedback we received, we identified two of the United Nations Sustainable Development Goals (SDGs) where our technology and resources can make a unique contribution. The first is SDG 4, helping to provide under-resourced youth relevant skills for good jobs and entrepreneurship. The second is SDG 8, decoupling economic growth from emissions and promoting resource efficiency.

As part of our strategy, we set goals that demonstrate how we are contributing to the achievement of each of these SDGs:

Education goal: By 2023, Verizon will help provide 6 million students with the skills required to put them on the path to success in an increasingly tech-dependent job market.

Sustainability goals:

- By 2020, 75 percent of suppliers assessed will be compliant with Verizon's overall CSR standards.
- By 2022, Verizon's networks and connected solutions will save more than double the amount of global emissions that our operations create.
- By 2025, we will reduce our carbon intensity (a measure of the overall carbon we emit divided by the terabytes of data carried by our networks) by 50 percent over the 2016 baseline.
- By 2030, we will plant 2 million trees in communities around the world, including 250,000 in areas impacted by the 2017 hurricane season.

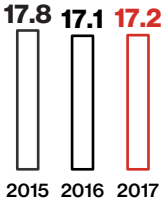
See page 31 for more information about Our Credo.

Hosted by Corporate Register

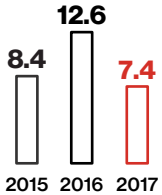
Economic impact

(dollars in billions):

Capital investment

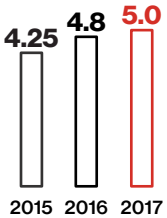


Cash paid for income taxes*

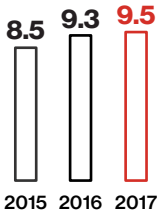


*Net of amounts refunded

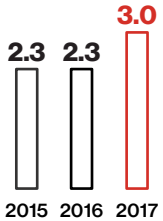
Purchases from diverse suppliers



Cash dividends paid to shareowners



Pension and other retirement benefit payments



Hosted by Corporate Register

Building abilities

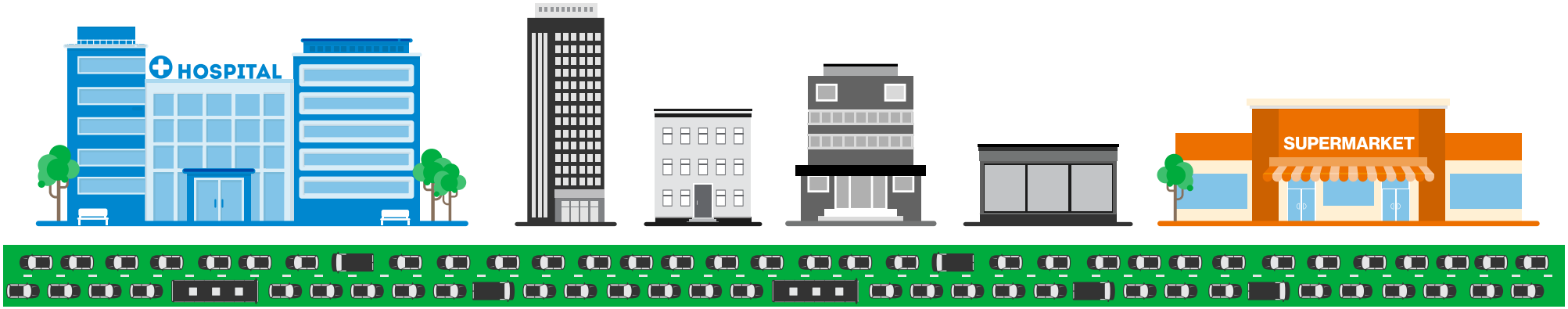
Humanability

Hosted by Corporate Register

Humanability

Helping humans do more

At Verizon, we have one mission: to give humans the ability to do more in this world. We call it Humanability, and it's why we're partnering with visionaries from just about every industry you can imagine, to enable humans to do more than they ever thought possible. Using technology and data to turn innovative ideas into reality.



How can a scalpel in one state help save a patient in another?

Verizon is racing to build the first and most powerful Intelligent Edge Network, which one day will give physicians the ability to perform a number of functions – from remote diagnostics to precision robotic surgery – from thousands of miles away and with precise control.

View video

How can asphalt help save the environment?

Verizon's intelligent network of sensors and cameras will give cities the ability to study and analyze the flow of traffic and relay that information to operations centers, who will then use it to make communities safer, smarter and greener. All while cutting carbon dioxide emissions and commute time for thousands of drivers.

View video

How can a sensor the size of a nickel help stop food poisoning?

Verizon's advanced network gives people the ability to securely track and measure everything from temperature changes to humidity and location in real-time. We're developing new tracking devices that will ensure foods, and even medications, won't be compromised – keeping people and the global food chain safer.

View video

Hosted by Corporate Register

Verizon Innovative Learning

Giving millions of kids a brighter future

The documentary Without a Net: The digital divide in America (digitaldivide.com) encourages others to join us in our mission to help close the digital divide.

By 2023, our goal is to help provide 6 million middle school students with the skills to put them on the path to success in an increasingly tech-dependent job market. We have set this target because today, millions of underserved students lack access to technology in the classroom and at home. Without help, they will be left behind in the digital economy. In 2017, we launched a documentary and a national movement that spotlights the crisis.

To reach our goal, our Verizon Innovative Learning initiative delivers free technology, free access and innovative learning programs to under-resourced schools and students across America. We build programs from the ground up, using Verizon's technology to provide tech-infused curricula that are hands-on and immersive. These programs transform middle schools with digital technology, immerse minority boys and rural girls in tech and entrepreneurship education, and train high school students to put design thinking principles to use in solving real-world business and societal challenges. And we are diligent in measuring the impact of our programs.

In 2017, almost 128,000 students participated in our Verizon Innovative Learning initiative.

Our employees – the V Team – play an important role in our work. In 2017, nearly 1,400 V Teamers served as STEM mentors. Learn more about the V Team at verizon.com/about/careers.

Hosted by Corporate Register

2017 Program Impact: National Education Initiatives

More than 1 million students have participated in our education programs since 2012. Here are the highlights from four of our most impactful programs: schools, design thinking, rural girls and minority boys. To learn more about the Verizon Innovative Learning programs, visit verizon.com/inspires.

Verizon Innovative Learning schools (VILs) program

We launched our schools program with Digital Promise in eight schools in 2014. During the school year that began in 2017, there were:

73 participating schools

43,683 participating students

2,538 participating teachers

78% of students are eligible to receive free or reduced-cost lunch

2017 results*

Teachers saw improvements

75% said that VILs enhanced student engagement

62% said using tablets made their instruction more effective

49% said that VILs improved their interactions with students

63% said VILs helped them reach goals they already set for their classroom and for their teaching

Student attitudes improved

47% felt more confident in school when they use their technology

48% believed that having the technology makes science more interesting

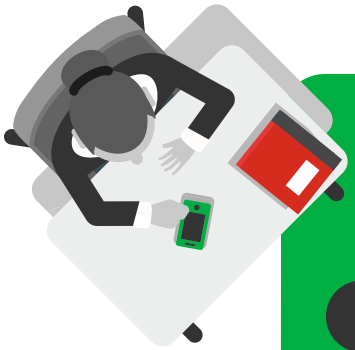
49% felt school was more fun

40% believed that having the technology makes math more interesting

*This includes 18,324 students and 1,317 teachers in the 45 schools that were active during the 2016-2017 school year.

Hosted by Corporate Register

2017 Program Impact: National Education Initiatives (continued)



Design thinking program

94% were more interested in STEM subjects

87% improved their problem-solving skills

85% increased their STEM proficiency

Minority boys program

91% increased ability in science

90% increased ability in math

86% increased ability in English/language arts

Rural girls program

86% were more aware of the variety of STEM careers

76% learned problem-solving skills

68% wanted to own a business someday

Learn more at Verizon.com/inspires.

Hosted by Corporate Register

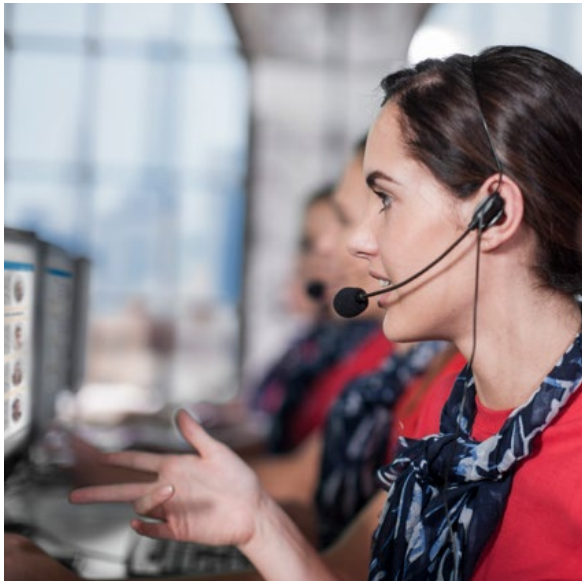
Disaster response

Helping to rebuild communities

In 2017, Verizon and its employees rushed to the aid of customers who were victims of hurricanes, wildfires and floods. Our employees proved to be as powerful and resilient as our network, and their efforts helped millions of people impacted by these disasters get back on their feet. In total, Verizon donated $75 million to disaster recovery and community projects throughout the U.S., including Puerto Rico, with $16.1 million supporting recovery efforts from Hurricanes Harvey, Maria and Irma, the California wildfires and other disasters.

Verizon committed **$10 million** to support Hurricane Harvey relief efforts and more than **$6 million** for Hurricanes Maria and Irma, the California wildfires and other disasters.

More than **2,000 employees** from Verizon's call centers served as volunteers, taking donations for the Hand in Hand telethon to benefit survivors of Hurricanes Harvey and Irma.



Hosted by Corporate Register

Building security

Product responsibility

Hosted by Corporate Register

Privacy

Providing transparency and choice

We're a company that transforms how people, businesses and things connect with one another, and we understand that the success of our products and services depends on customers' trusting that their privacy is protected and their choices are respected.

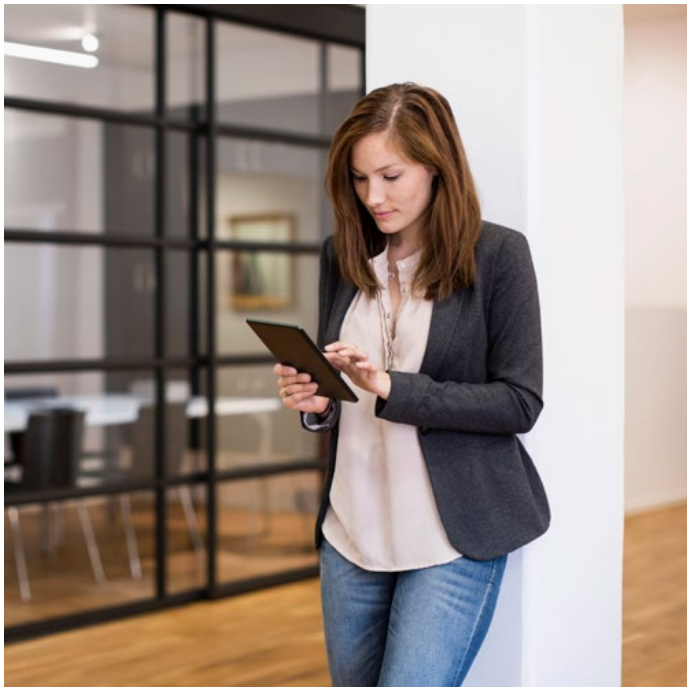
Our goal is to provide clear and transparent communication about the information we collect and how we use it. We are also committed to providing our customers with choices. Protecting the privacy and security of customer information is a responsibility we take seriously.

As we bring new products and services to market or expand our offerings through acquisitions, we examine the relevant privacy and security questions, and take appropriate steps to continue to provide our customers with strong and meaningful privacy and security protections.

Government requests

Verizon was the first in the telecom industry to issue a Transparency Report that provides detail on subpoenas, court orders and other official requests for information. Report updates are issued every six months. To learn more about how we handle government requests for customer information, both in the U.S. and internationally, please see our most recent reports here: http://www.verizon.com/about/portal/transparency-report/.

To learn more about Verizon's privacy policies, read a message from our Chief Privacy Officer, Karen Zacharia, here: http://www.verizon.com/about/privacy/privacy-officer-message. Our full Privacy Policy is available here: http://www.verizon.com/about/privacy/full-privacy-policy



Hosted by Corporate Register

Safety

Instilling the confidence to use technology safely and responsibly

Our **Content Policy** for Verizon networks ensures that content is age-rated, conforms to recognized third-party content-rating systems, when available, and is consistent with industry best practices.

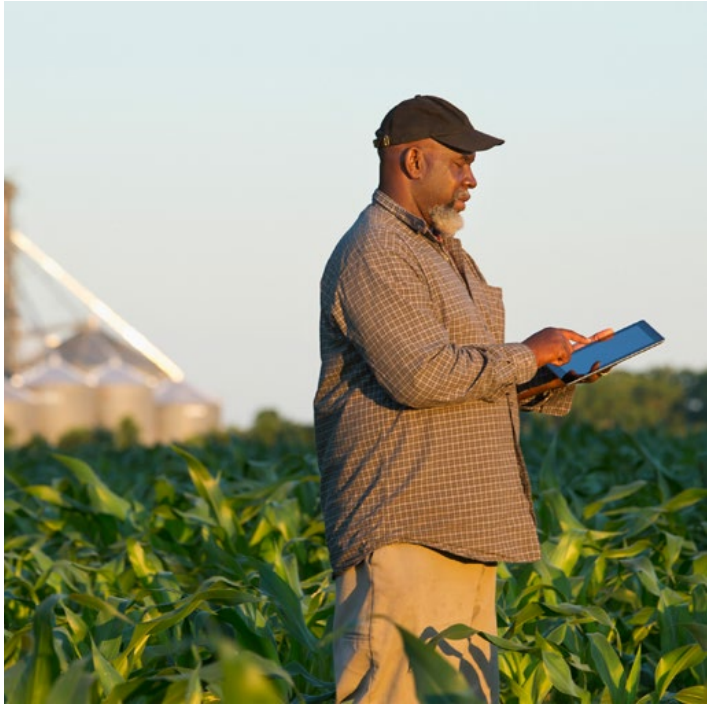
We meet our customers' need to manage their individual access to content by providing them with an array of content-management tools, including:

- **Fios TV parental controls**, which go beyond rating-based filters and allow parents to block content by age group, control the display of certain programming and information on the on-screen guide, and even block specific channels or categories.
- **My Fios app**, that enables parents to control how much time their kids spend online through per-device internet usage limits, and lets parents set daily or weekly time limits on any connected device.
- **Enhanced content-filtering tools** for smartphones, tablets and computers, offered through a partnership with content-filtering-technology leader Mobicip, that help children make positive choices everywhere they browse.
- **FamilyBase**, a tool that helps with parenting in the digital world by allowing parents to monitor their child's device activity, set limits on usage, block inappropriate apps and websites and set age-appropriate content filters.
- **Verizon Internet Security Suite**, which helps protect computers, personal information and children from a wide array of online threats, including hacking and identity theft.
- **Additional online resources**
  - The Family Online Safety Institute (FOSI), an international nonprofit of which Verizon is an advisory committee member, is dedicated to making the online world safer for kids and families through enlightened public policy, industry best practices and FOSI's Good Digital Parenting initiative.
  - Growing Wireless, an initiative of industry association CTIA, of which Verizon is a member, is dedicated to giving youth and families knowledge and resources that provide a safe and rewarding wireless experience.
  - Family Safeguards and Controls is a website that lets customers follow, share and participate in the ongoing conversation about digital safety and security.

Radio frequency emissions

Verizon provides information on radio frequency emissions in several locations: at verizonwireless.com; on a printed insert in the box of every new or refurbished cell phone that directs customers to our website; and in all Verizon retail stores, where a sign is posted advising that such information is available on request.

Hosted by Corporate Register



Accessibility

Verizon has a longstanding commitment to equal access to our products and services, including for customers in rural areas and customers with disabilities, so that everyone can access the benefits of technology and can fully participate in the digital world.

Universal design principles

For 30 years we have adopted Universal Design Principles that commit our company to providing products and services that can be used and enjoyed by the broadest range of customers, including youth, individuals with disabilities and seniors.

Fios TV offers accessibility features for our visually impaired customers, including:

- Text-to-Speech functionality for the Fios TV on-screen guide.
- Descriptive Video Services, which, when available from the video programming provider, provide a narrative description of key visual elements within a broadcast.

Verizon's Center for Customers with Disabilities serves wireline customers and offers direct American Sign Language services. The Verizon Wireless National Accessibility Customer Service Center supports customers who need additional assistance to meet their wireless needs.

Rural access

Our LTE in Rural America (LRA) program is a collaborative partnership with rural carriers to accelerate the deployment of rural wireless broadband services.

At the end of 2017, our 22 LRA partners continue to provide LTE service in their rural areas via a growing network of over 1,350 active sites. The leases for the 22 participants cover nearly 2.9 million people in 17 states and more than 226,000 square miles. The LRA program continues to be an important part of providing high-speed data to rural communities.

In addition to the LRA program, starting in 2018, Verizon will deploy high-speed broadband to more than 15,500 rural locations in upstate New York.

Hosted by Corporate Register

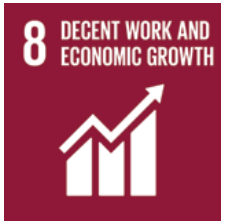
Building sustainability

Environment

Hosted by Corporate Register

Energy-efficient solutions

More solutions to reduce greenhouse gas emissions



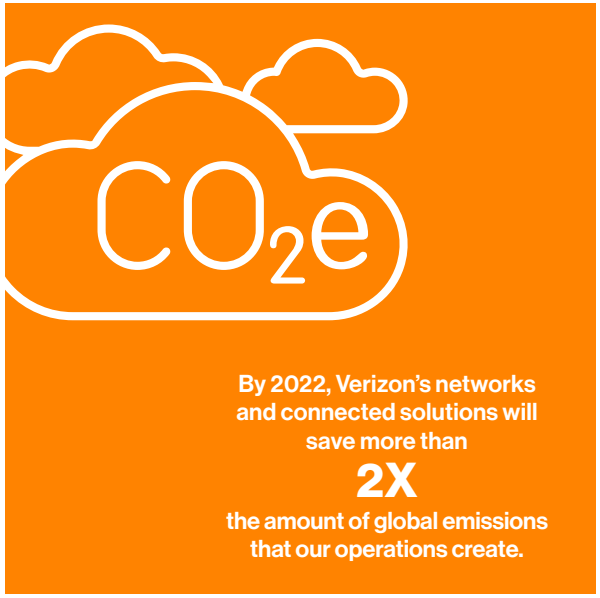
One of the most important ways that we help humans do more is to enable them to be more resource-efficient. Our connected solutions help our customers save energy and reduce their carbon emissions. We work with the Carbon Trust, a respected nonprofit, to measure the yearly reduction in CO_2 equivalent (CO_2e) emissions our customers are achieving through the use of our products and services. In 2017, our solutions enabled the avoidance of a minimum of 7.7 million metric tons of CO_2e. The emissions avoided represent approximately 138 percent of emissions associated with our operations (Scope 1 and 2).

EMISSIONS SOURCE	BUSINESS TRAVEL	TRANSPORTATION	BUILDINGS	POWER GRIDS	HEALTHCARE	PRODUCTION OF GOODS
Verizon solution	Telecommuting	Telematics	Smart building management	Smart meters & demand response units	Remote patient monitoring	Dematerialization
User	U.S.-based customers	U.S.-based drivers	U.S. businesses, city & state governments	U.S. utilities, businesses & customers	Patients, medical professionals	U.S.- based customers
Measurement	Reduction in miles driven (gallons of gas not used)	Reduction in miles driven (gallons of gas not used)	Reduction in kilowatt hours (kWh) of energy used	Reduction in kWh of energy (reduced transmission and distribution losses, lowered peak demand and enhanced energy efficiency)	Reduction in miles driven (gallons of gas not used) and number of days in hospital	Reduction in production of physical products (including newspapers, CDs, DVDs, etc.)
CO_2e avoided (metric tons)	3,893,080	1,257,379	2,698	1,734,219	121,215	702,053

Our solutions enabled the elimination of **7.7 million** metric tons of CO_2e emissions, equivalent to removing **1.6 million** cars from the road for one year.

Hosted by Corporate Register

Meaningful progress continues



By 2022, Verizon's networks and connected solutions will save more than

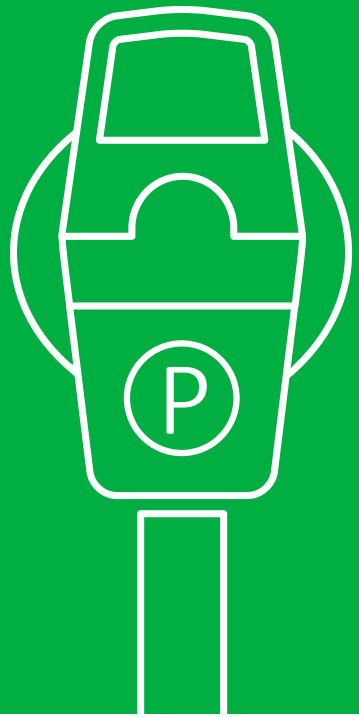
2X

the amount of global emissions that our operations create.

Verizon's partner, IPS Group, is a leader in smart parking meters in cities across the U.S. In 2017, enabled by Verizon connectivity, IPS' meters reduced the number of miles driven to find available parking, avoiding

34,192

metric tons of CO_2e emissions.



Hosted by Corporate Register

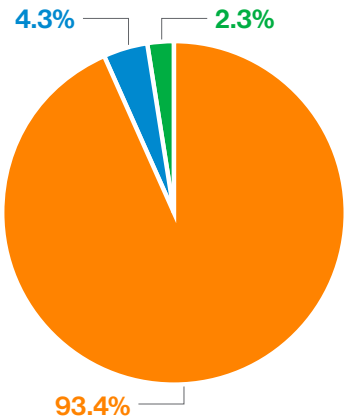
Energy & emissions

Reducing our environmental impact

Throughout Verizon's operations we have adopted strategies to minimize our environmental impact and drive greater efficiency. More than 93 percent of Verizon's emissions come from the electricity we use to power our networks.

In 2017, we implemented several initiatives to increase energy efficiency in our larger wireless core data centers and made progress in lowering energy usage at these facilities. We also continued to invest in improving the overall energy efficiency of our facilities with numerous initiatives that included mechanical and whole-building control systems, LED lighting, HVACs and chillers, high-efficiency motors, economizers, cable dehydrators and high-efficiency uninterruptible power supplies.

2016 emissions profile (CO_2e metric tons)*



Electricity and other indirect sources
5,259,727

Vehicle fuels
241,942

Building and other fuels
130,554

*We are currently undergoing independent external assurance of our 2017 GHG emissions and carbon intensity. We will report our results later this year.

CDP
DISCLOSURE INSIGHT ACTION

Verizon received an A- on CDP's 2017 evaluation and is ranked in CDP's Leadership scoring band. This is recognition that Verizon is a leader among the companies that voluntarily disclose their environmental impacts.

Our emissions by scope (CO_2e metric tons)

	2014	2015	2016	% Change 2015-2016
Scope 1	487,082	445,704	372,496	-16.42%
Scope 2	5,452,013	5,529,153	5,259,727	-4.87%
Total Scope 1 & 2	5,939,095	5,974,857	5,632,222	-5.73%
Scope 3*	43,987	43,333	91,365	+111%

*Exclusively business travel.

Scope 1 – All direct sources of emissions owned or controlled by Verizon, with the main categories being fuel to power our fleet, heat our buildings and power our back-up generators.

Scope 2 – Indirect emissions sources generated off-site, but purchased by Verizon. The main category is electricity to power our networks and data centers, plus a small amount of steam and heat purchased to heat our buildings.

Scope 3 – Emissions from corporate business travel (air and rail) based on travel reservations.

Hosted by Corporate Register

Carbon intensity

Having exceeded our 2020 goal four years early, in 2016 we set a new carbon intensity reduction target (the carbon our business emits divided by the terabytes of data we transport over our networks). The new 2025 goal is a 50 percent reduction from our 2016 baseline.

Our success to date in reducing carbon intensity has been made possible by copper-to-fiber migrations, investments in green energy, building improvements and changes in our fleet operations. We are pursuing opportunities for continued, sustained progress and will continue to measure and disclose our performance against the 2025 carbon intensity goal.

Our results are independently assured. We commissioned independent external assurance of our Scope 1, 2 and 3 (exclusively business travel) greenhouse gas (GHG) emissions and carbon intensity for 2016 and reported the results in our 2017 CDP Climate Change Response (CDP.net) and on our corporate site.

We are currently undergoing independent external assurance of our full-year 2017 Scope 1, 2 and 3 (exclusively business travel) GHG emissions and carbon intensity. Later this year, we will report our 2017 results in our CDP Climate Change Response and on our website. For more information, please refer to our GHG Emissions Reporting Standards.

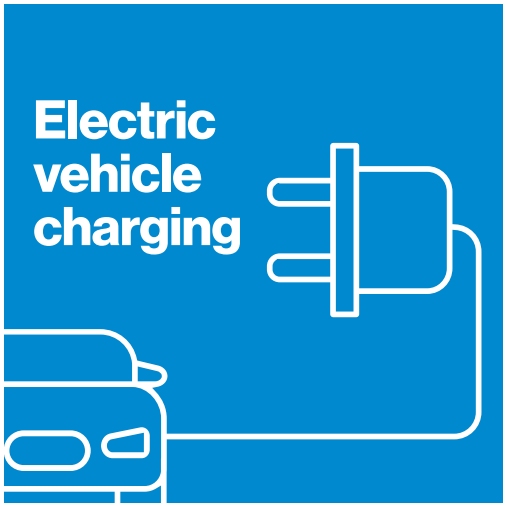
Hosted by Corporate Register

Efficient mobility

Using electric vehicles (EV) for commuting reduces employees' emissions and carbon footprint, so we're expanding our capacity for EV charging at Verizon facilities.

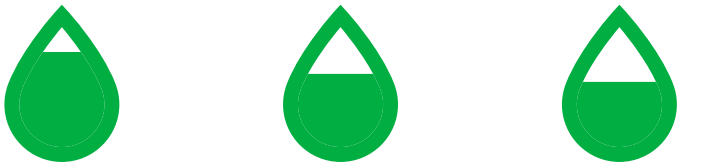
2017 Progress:
49
Verizon locations with EV charging stations

2020 Goal:
75
Verizon locations to offer EV charging



Reducing unnecessary trips to customer locations saves time, costs and fuel. That's why we've implemented sophisticated customer self-installation, self-diagnostic and online trouble-shooting tools, which help to reduce the number of service visits required by our technicians. These tools contribute to greater efficiency for usage of our fleet and its fuel consumption. Also, in 2017, we added 234 hybrid vans to our fleet in New York to further improve our fuel efficiency in the future.

Our fleet fuel consumption (1,000 gallons)



32,080
2015

25,513
2016

23,919
2017

Hosted by Corporate Register

Renewable energy

Over the past six years, Verizon has made it a priority to deploy more green energy resources – such as solar and fuel cell technology – into our facilities. We've set a goal to add an additional 24MW of green energy in our operations by 2025.

In 2017, we made initial progress toward our 2025 goal by installing 30KW of solar energy at one of our European facilities in Luxembourg.

In 2018, we will continue to work toward our 2025 goal.

2017 Status:
20MW
of green energy

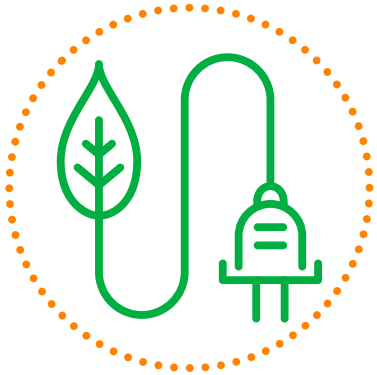
2025 Goal:
Add 24MW
more green energy in our operations – doubling our current capacity

Environmentally efficient stores & facilities

We're focused on applying best practices to improve the efficiency of our facilities, including data centers, which are especially energy-intensive. By implementing better cooling technologies at our Colorado Springs data center, we achieved a significant improvement in Power Utilization Effectiveness (PUE), reducing PUE to 1.28 in 2017. Across our facilities, we make extensive use of economizers, which bring outside air into the HVAC system when it is cooler outside than in, thereby decreasing energy use. In 2017, we installed 5,654 new economizers, bringing our total deployed to approximately 33,000 units. These systems have produced estimated reductions in electrical consumption of 214 million kilowatt hours and CO_2e of 148,000 metric tons.

354
total LEED-certified buildings

254
ENERGY STAR®-certified buildings, including retail stores, offices and distribution centers



Committed to pursuing ENERGY STAR certification for
100%
of eligible buildings

5th
consecutive year named as an ENERGY STAR Partner of the Year, maintaining our Sustained Excellence recognition

ENERGY STAR AWARD 2017
PARTNER OF THE YEAR
Sustained Excellence

Hosted by Corporate Register

Managing waste

Verizon is dedicated to a standard of environmental stewardship that meets or exceeds legal requirements.

Paper waste

We are committed to the sustainable sourcing and use of paper, as detailed in our Paper Sourcing and Use policy.

Over the past three years, Verizon Wireless has reduced the amount of printed materials for customer orders by 49 percent. For 2017, this represents avoiding using approximately 354 tons of paper or about 7,000 trees.

Goal:
At least
50%
of our paper annually includes 10 percent post-consumer waste (PCW) content.*

2017 Progress:
70%
In 2017, we exceeded this goal with 70 percent (19 percent more than 2016) of our sourced paper including at least 10 percent PCW content.

*This excludes billing segments that are not able to print on recycled-content paper due to machinery issues.

Recycling

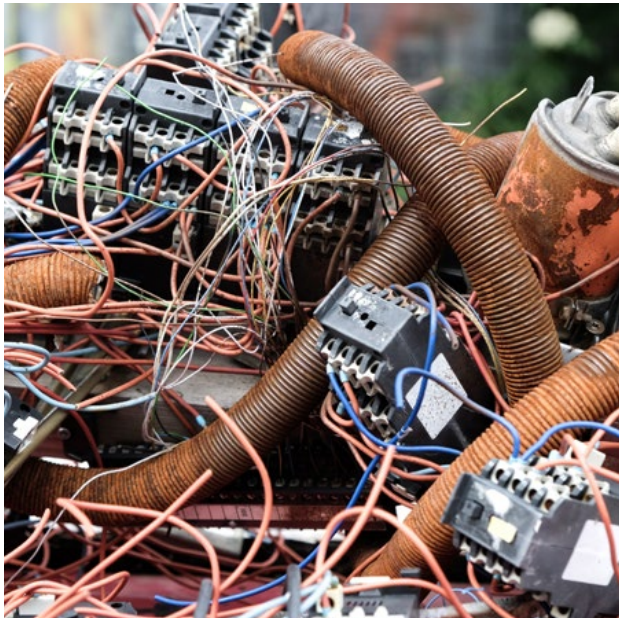
There's a big opportunity to reduce the number of cell phones, set-top boxes and other electronic devices that end up in landfills by reusing or recycling them. We refurbish and redistribute Fios set-top boxes and recycle Verizon-owned equipment, including network equipment, batteries and other supplies. Also, we hold public recycling rallies to collect e-waste in the communities we serve.

2017 recycling results

Internal	Community
76.9 million pounds of network equipment and office materials recycled in 2017	**741,731** pounds of e-waste collected at 49 recycling rallies in 2017 – enough to offset 1,131 metric tons of CO_2e emissions
49% reduction in the use of plastic model phones for marketing purposes since 2015 – equivalent to eliminating approximately 150 tons of plastic	**3.2 million** pounds of e-waste collected at community and employee recycling rallies between 2009 and 2017

Hosted by Corporate Register

Verizon internal recycling initiatives



Batteries and telecom materials

Our practices for recycling batteries exceed regulatory mandates. Verizon sends materials from U.S. operations for recycling to approved facilities in the U.S. or Canada. These facilities are audited at least every five years. In addition, we require suppliers to send their used batteries to approved recycling facilities that meet Verizon's Environmental, Health and Safety Standards.

In 2017, we recycled approximately 77 million pounds of telecommunications equipment, batteries, paper, cardboard and other items.

2017 recycled materials (in lbs.)

Municipal recycling	38,243,200
Telecom equipment	30,401,462
Lead acid batteries	7,703,466
International Telecom Equipment*	454,099
Paper/cardboard	85,595
Other batteries	59,297
Grand total 2017	**76,947,119**

**Note: International Telecom Equipment is new data available in 2017.*

Customer devices

In 2017, our customers returned **millions of** devices for recycling.

100% of devices returned were repurposed, reused or recycled.

100% of accessories were also repurposed, reused or recycled.

Hosted by Corporate Register

Green Team

Grassroots environmental stewardship

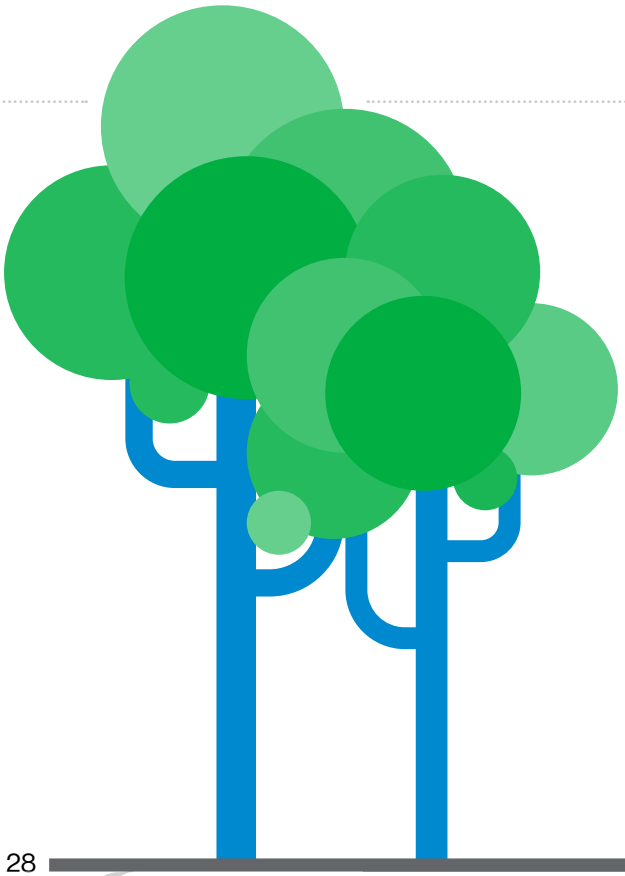
Verizon's Green Team is a global, voluntary, grassroots employee effort dedicated to environmental stewardship through events like community recycling, gardening and educational seminars.

2020 Goal:
20%
of employees on the Green Team

24,920
2017 Green Team membership

35
countries and territories with Verizon Green Team members in 2017

251
Green Team events held in 2017



Partnering with organizations like the Arbor Day Foundation, we sponsored the planting of more than 82,000 trees in 2017, exceeding our goal of 60,000. Our goal for 2018 is to sponsor the planting of 100,000 trees, at least 50,000 of which will be in areas impacted by the 2017 hurricanes. In addition, by 2030 we plan to plant 2 million trees in communities around the world, including 250,000 in areas impacted by the 2017 hurricane season.

Verizon advances NFL sustainability

In 2013, Verizon became the first-ever sustainability partner for the NFL Super Bowl. In 2017 our involvement included support for recycling rallies held in Houston and Minneapolis (host cities of the 2017 and 2018 Super Bowls) which, together, collected more than 53,000 pounds of recyclable electronics. Other Verizon-led NFL partnerships included 21 tree planting events to support urban forestry initiatives and reforestation projects, and three pollinator events at zoos and community gardens.

Hosted by Corporate Register

Water

Water is one of our most precious – and threatened – environmental resources. We are doing our part by setting conservation goals and implementing processes to reduce our water consumption.

Results:
Our 2016 water usage reflects a reduction of
203.2 million
gallons against our 2014 baseline, meeting our 7 percent reduction goal 4 years early

Our 2016 water consumption was independently assured. Water consumption for 2017 is currently being assured.

In 2017, Verizon received 181 notices regarding compliance with state and local environmental regulations. Most of the notices were for record keeping or other minor issues, and we are taking steps to address these notices and prevent them from occurring in the future.

Hosted by Corporate Register

Building together

V Team

Hosted by Corporate Register

How we work

Our Credo

As we prepare the V Team to continue to innovate in the digital age, everything starts with our Credo. It provides an aspirational foundation and defines who we are and how we work, along with our core values of integrity, respect, performance excellence and accountability.

We

- focus outward on the customer, not inward.
- embrace diversity and personal development.
- keep our commitments to each other and our customers.
- respect and trust one another.
- listen to and value another's view regardless of title or level.
- believe integrity is at the core of who we are.
- are committed to doing the right thing and follow sound business practices.
- are good corporate citizens and share our success with the community.
- run to a crisis, not away.

Learn more at: http://www.verizon.com/about/our-company

How We Work

Created from employee opinion survey research and employee focus groups, this statement reflects how V Teamers sum up the value of working at Verizon.

The V Team, on working at Verizon: The work I do every day changes the way people live, work and play. I thrive on challenges and have opportunities to grow. I am inspired because my work matters. I am part of a winning team and collaborate with the best and brightest. The pay and benefits are awesome, and they help me reach my personal, professional and financial goals.

We are Verizon: proud history, bold future.

Hosted by Corporate Register

Sharing our success

Supporting neighbors, building community

Across the communities we serve, Verizon employees are engaged in supporting neighbors and building community capacity, and give generously of their time, talent and financial resources. Collectively, their positive impact is vast, and Verizon encourages our employees' passion to serve others.

Employee giving and volunteerism

As part of our culture and the employee experience, V Teamers are committed to building the communities where they work and live by volunteering their time and giving generously.

- Through our Matching Gifts Program, V Teamers donated millions of dollars in 2017 with corporate matching gifts of up to $1,000 for their personal charitable donations and up to $5,000 for donations to eligible educational institutions.
- Team members who volunteer at least 50 hours at a nonprofit during a calendar year can generate a $750 donation from Verizon to that organization.
- Through our Verizon Innovative Learning initiative, we're giving students the skills to succeed in an increasingly tech-dependent job market. In 2017, nearly 1,400 V Teamers shared their time and expertise by serving as science, technology, engineering and math (STEM) mentors.

181,262
volunteer hours by Verizon employees in support of nonprofits

$8,596,675
donated by Verizon employees to schools and nonprofits

$9,210,117
donated through Verizon's Matching Gifts program – supporting employees' donations of time and money to schools and charitable organizations

- Nearly 25,000 V Teamers across 35 countries and territories belong to the Verizon Green Team, our grassroots collective of volunteers dedicated to environmental stewardship.

HopeLine: Addressing the challenge of domestic violence

Verizon established the HopeLine program in 2001 to help prevent domestic violence and support its survivors.

Through this initiative, we collected and sold used mobile devices to provide cash grants to organizations and agencies working to curb domestic violence.

In 2017 Verizon:

- Collected 579,605 phones and converted them into resources to support survivors. Since the program's inception we have collected more than 13.2 million phones.
- Donated 11,351 mobile phones with voice and text-messaging service for use by survivors.
- Gave $7.6 million in cash grants to nonprofits that support domestic violence prevention.

Hosted by Corporate Register

Diversity & inclusion

Creating a great experience for all employees

The center of what we do is to connect people and cultures across the world. We understand that we cannot fulfill that role without a strong and enduring commitment to the diversity and inclusion that reflects our world. One of our foremost objectives as an organization is to create a collaborative, inclusive and diverse environment – within Verizon, with our customers, and among our business partners and suppliers. We believe this commitment is essential to the success of our business.

Our Equal Employment Opportunity Policy implements our commitment to diversity and inclusion.

Verizon's commitment to diversity and inclusion encompasses the principle that all employees should be compensated equitably for similar work and should have an equal opportunity to contribute and advance in the workplace.

In January of 2017, Verizon published its Pay Equity Commitment where it committed to identify and promote best practices in compensation, hiring, promotion and career development; to develop strategies to reduce unconscious bias; and to make hiring, promotion and compensation decisions that promote pay equity. In October 2017, Verizon removed from its employment applications around the globe all questions seeking current or past salary information of applicants for employment.

We continue to invest in the growth of women and people of color on the V Team. Among our most successful initiatives:

- A 12-month mentorship program that matches senior executives and women V Team members with the goal of advancing leadership skills and development.
- Competitive Advantage, a six-month program supporting managers who are people of color, fosters leadership development and networking with senior leaders.
- We launched in 2016, and are expanding in 2018, required workshops for our leadership team to explore unconscious bias and how to mitigate its impact to create a more inclusive workplace.

We promote diversity and encourage the contribution of diverse business partners to our success in our Short-Term Incentive Plan, which includes a 5 percent diversity and sustainability metric relating to the percentage of minority and female employees based in the U.S., our overall supplier spending directed to minority- and female-owned firms, and reductions in carbon intensity.

Verizon is a sponsor of **Women in Technology and Entrepreneurship in NY (WiTNY)**. We partner on a number of initiatives, including the "winternship" program – two-week internships for college freshmen and sophomores during their winter break. In January 2017, Verizon was the first company to partner with WiTNY to pilot the initiative. We had five winterns who all came back for internships with Verizon in the summer of 2017. As a result of the pilot, in 2018 WiTNY plans to expand the program to include more than 40 companies and 170 students.

Hosted by Corporate Register

Verizon employees as of 12/31/17*

Profile

ETHNIC GROUP	TOTAL WORKFORCE (2017)	% OF TOTAL WORKFORCE	2015 U.S. LABOR FORCE
American Indian/Alaskan Native	620	0.5%	0.7%
Asian	12,007	8.6%	5.4%
Native Hawaiian/Pacific Islander	429	0.3%	0.2%
Black/African-American	26,472	19.0%	11.4%
Hispanic/Latino	14,490	10.4%	15.8%
Two or more races	3,136	2.3%	2.2%
White	81,922	58.9%	64.4%
Total U.S.	**139,076**	**89.5%**	**–**
International	**16,324**	**10.5%**	**–**
Total worldwide	**155,400**	**100.0%**	**–**

Employee profile as of 12/31/17 by gender

U.S.

Percentage of total workforce (2017)

2017 U.S labor force

International

Percentage of total workforce (2017)

Total Verizon

Percentage of total workforce (2017)

Ethnic minorities represent **26.9%** of the total U.S. senior management base (vice president and above)

Women represent **29.7%** of U.S. senior management (vice president and above)

*These data points are inclusive of Oath.

Hosted by Corporate Register

Recognition and recruiting partnerships

Verizon continues to earn numerous awards for our success in building a diverse and inclusive culture. Among them:

- **100% score, Disability Equality Index.** For the second consecutive year we earned a 100% rating on the Disability Equality Index (DEI), demonstrating the value of our diverse and inclusive experiences for employees, customers and suppliers.

- **100% rating in the 2018 Corporate Equality Index** (CEI), a survey conducted by the Human Rights Campaign Foundation, earning Verizon the distinction of being one of the Best Places to Work for LGBTQ equality. Verizon has scored 85 points or better in 12 of the years we've participated.

- **Top Companies for Executive Women.** For the 10th year, the National Association of Female Executives named Verizon to its annual list of Top Companies for Executive Women.

- Hispanic Association on Corporate Responsibility (HACR) provided Verizon with **a maximum rating for 2017**.

- Black Enterprise named Verizon to its **2017 Top 50 Companies for Diversity** list. The publication has recognized Verizon for four consecutive years.

Learn more at: http://www.verizon.com/about/our-company/awards-recognition.

Building stronger relationships

Verizon is a sponsor of numerous diversity organizations and partners with their local chapters located on college campuses where we recruit new talent. Our partnerships include The Anita Borg Institute and the Grace Hopper Celebration of Women in Computing event, Corporate Partner Council for the Society of Women Engineers, Corporate Affiliate for the National Society of Black Engineers, Industrial Partner Council for the Society of Hispanic Professional Engineers, Great Minds in STEM's Hispanic Engineering National Achievement Award Conference, The U.S. Business Leadership Network and the National Business Disability Council.

In 2017 Verizon launched **AdFellows**, an eight-month marketing fellowship in which participants rotate through Verizon and our agency partners to gain both client and agency experience. The project's objective is to improve diversity within the marketing profession, and is focused specifically on African-American and Hispanic talent. The initiative launched with 19 participants and will expand to 30 in 2018. Our goal is to offer positions to 90 percent of those who successfully complete the fellowship, to be hired either by Verizon or our agency partners.

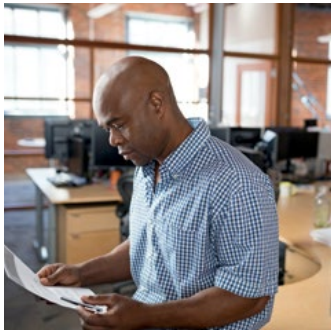
Hosted by Corporate Register

Empowering employees, strengthening our culture

We pride ourselves on being a leader in diversity and inclusion, and engaging and empowering our employees and executives are important contributors to that success. Our global Employee Resource Groups (ERGs) serve as ambassadors of diversity and inclusion by providing members with opportunities to celebrate their common ties, as well as to network, find and/or act as mentors, learn new skills, impact the business and give back to the community.

Verizon sponsors nine ERGs:

- Asian-Pacific Employees for Excellence
- Black Resource Association of Verizon Employees
- Disabilities Issues Awareness Leaders
- Gay, Lesbian, Bisexual and Transgender Employees of Verizon and Their Allies
- Hispanic Support Organization
- Native American People of Verizon
- South Asian Professionals Inspiring Corporate Excellence
- Veterans Advisory Board of Verizon
- Women's Association of Verizon Employees

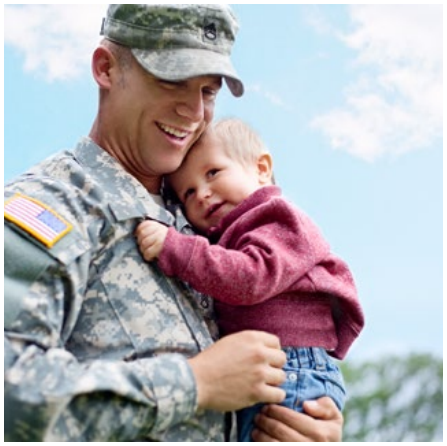


We want every member of the V Team to bring their best selves and feel included at work every day. So in addition to engaging thousands of V Teamers through our ERGs, we strengthened our best practices for a diverse and inclusive culture in 2017 by expanding the unconscious bias training initially launched for our entire senior management team. Live workshops and virtual training were launched and will cover all levels of the organization in 2018. As we continue to learn about and discuss the impact of unconscious bias, we will explore opportunities to ensure our policies, practices and systems evolve to reflect that learning.

Hosted by Corporate Register

Veterans

Enhancing a veteran-friendly workplace



In 2017, we hired 1,038 veterans. We also engage and support military spouses with career guidance by connecting them to a military-spouse recruiter.

We're proud to have more than 9,500 veterans serving our customers. Our military leave policy allows our service members to continue serving their country. When V Teamers are called up to active duty, we bridge the gap between military pay and Verizon pay to ensure their family members and financial needs are cared for.

In 2017, Verizon was named by U.S. Veterans Magazine (USVM) to its list of the nation's Best of the Best Top Veteran-Friendly Companies, and was also named a Top-10 Military Friendly company for our commitment to tapping into military talent.

Learn more at: http://www.verizon.com/about/careers/military

Working with labor unions

We have a long history of providing good jobs and working with the Communications Workers of America and the International Brotherhood of Electrical Workers – the two main unions that represent about 35,200 of our team members.

Verizon continues to meet regularly with national and local union leaders to discuss key business topics, including safety, benefits, customer service, plans to improve operational processes, our business performance, and the impacts that changing technology and competition are having on our customers, our team members and the company.

In keeping with Verizon's history of providing high-quality service and good jobs, our agreements continue to provide our team members with competitive wages and valuable benefits that rate among the best in our industry.

Hosted by Corporate Register

Employee growth & development

Investing in V Team success

Our culture of learning helps V Teamers grow, advance and reach their full professional and career potential.

Learning & development

In 2017, we invested
$239.8 million
in learning and development initiatives for our employees

V Teamers completed
5.5 million
hours of training in 2017

Employees have access to more than
18.1 thousand
learning experiences.

Tuition assistance

V Team members/Verizon funding

22,585	19,803	19,388
members and	members and	members and
$94.1 million	$82.1 million	$77.0 million
in 2015	in 2016	in 2017

Team members are provided up to
$8,000
annually through our Global Tuition Assistance Program to fund higher-education studies for enhancing their careers at Verizon.

V Team training

Average annual hours of training per team member

50.7	40.3	35.3
2015	2016	2017

Hosted by Corporate Register

Health & wellness

Comprehensive approach, positive outcomes

We believe health, wellness and safety are fundamental to success, and provide comprehensive resources that help V Teamers and their families succeed in life.

Mental health

- Our Employee Assistance Program (EAP) is available to V Teamers and their families 24x7x365.
- Our Resilience Toolbox provides resources that managers and V Teamers can use to support a teammate who may be struggling with challenges at work or home.

Healthcare

- Our benefits package provides access to high-quality, affordable healthcare coverage that includes medical, dental and vision care along with disability and insurance programs.
- We promote a healthy V Team through a comprehensive range of on-site services delivered as part of our "Be Well, Work Well" programs. For example, in 2017:
  - More than 6,000 employees received a free health screening for cholesterol, blood sugar, blood pressure and body mass index.
  - More than 14,000 employees received flu shots.
  - 637 women age 40+ took advantage of the on-site mammography screenings.

Fitness

- Verizon employees have access to a wide range of health and wellness resources at any time through the WellConnect portal. This portal hub maintains information on preventive care, tobacco cessation, physical activity, nutrition, mobile tools, wearable devices and much more.

In 2017, nearly 56,000 employees used the portal.

- Almost 32,000 team members logged in to their personalized "My Health Vault" to check their Health Assessment score, Health Screening results and Lifestyle Incentive Tracker to keep abreast of their health status, all in one place.
- V Teamers use our 37 Health and Wellness Centers to participate in fitness and wellness activities, plus they have access to discounted memberships at thousands of gyms nationwide.

During 2017, our centers had:
- Nearly 14,000 members
- 7,575 fitness, wellness and community-focused events
- 51,000 personal/group training sessions
- Onsite Run/Walk events with 4,395 participants
- Additional local runs with 3,273 participants

Be Well, Work Well Programs

In 2017, we covered nearly **600,000** beneficiaries, investing almost **$2.8 billion** to deliver healthcare benefits and services alone.

Hosted by Corporate Register

Safety

At work, at home and on the road

BE Smart Aware Focused Equipped

Our culture of safety begins with our Be Safe principles – Be Smart, Aware, Focused and Equipped. The information emphasizes keeping V Teamers safe at work, at home and while on the road. We created 15 new courses during 2017 to educate about best practices and working safely with evolving technology such as small cells. Training topics included aerial lift safety, lead awareness and exposure, pole removal and equipment transfer, pole climbing and radio frequency. Our occupational injuries and illnesses rate was 1.30 per 100 employees, well below the Bureau of Labor Statistics telecommunications industry average of 2.0.

Pay & family benefits

Caring for V Teamers and their families

Our competitive pay and valuable benefits provide security for V Team families.

Pay and time off

- Our pay and benefits package provides a competitive base pay, incentives, a profit-sharing award and an industry-leading 401(k) savings plan that matches 6 percent of eligible pay.
- Under our Paid Time Off policy, V Teamers receive up to eight paid company holidays, up to six paid personal days and, depending on years of service, two to five weeks of paid vacation.

Family assistance

- More than 7,000 V Teamers are regularly leveraging our alternative work programs, such as Flex-Time, Compressed Work Weeks and Telework.
- Our parental leave policy allows moms and dads to take paid leave to bond with their newborn or adopted child. The program was enhanced to provide eligible employees up to eight weeks of paid leave, at 100 percent of base pay. Mothers of newborns can take as much as three months of paid time off.
- Additional benefits include emergency backup childcare and eldercare service; the Bright Horizons Special Needs program for parents with special needs children; and the myStrength stress-reduction tool, offered as part of our comprehensive Employee Assistance Program.

Hosted by Corporate Register

Building partnerships

Supply chain

Hosted by Corporate Register

Our global supply chain

Our global supply chain includes over $50 billion in goods and services procured around the world. These goods include handsets, accessories and network equipment to support our global infrastructure. The vice president who leads supply chain operations also serves as Verizon Chief Sustainability Officer and Chairman of the Global e-Sustainability Initiative (GeSI).

Supplier Code of Conduct

Our suppliers align with our Supplier Code of Conduct, which means acting with integrity, obeying all applicable health, safety and environmental laws, and protecting confidential and proprietary information.

Our Supplier Code of Conduct also:

- forbids the use of child labor, forced labor and discrimination;
- protects employees' rights to freedom of association and collective bargaining, as permitted by local laws; and
- describes how suppliers should work with us on compliance and enforcement issues.

Verizon reserves the right to review or audit our suppliers' compliance with the Supplier Code. We also incorporate ongoing compliance into our business relationships and procurement decisions.

V Teamers are trained about social and environmental supply chain issues, including supplier assessment, through initiatives such as green bag sessions, monthly Green Insider newsletters, and on-site recruiting and engagement events.

Our complete Supplier Code is available here: http://www.verizon.com/about/sites/default/files/Verizon-Supplier-Code-of-Conduct.pdf.

Hosted by Corporate Register

Supplier performance

Assessing our partners' compliance

We use a third-party platform from EcoVadis to assess our suppliers' corporate responsibility performance. Since 2013, we have invited 405 key suppliers to the platform. EcoVadis' assessment approach focuses on four key areas: environment, fair labor practices, ethics/fair business practices, and supply chain.

EcoVadis combines supplier questionnaire input with its own research based on public sources to benchmark suppliers on their corporate responsibility performance. When weaknesses are identified, Verizon works with the supplier to create a corrective action plan and improve their current program. Both Verizon and the supplier benefit from this program.

Verizon has committed that 75 percent of suppliers assessed will be compliant with the overall EcoVadis assessment, consisting of the four combined categories, by 2020.

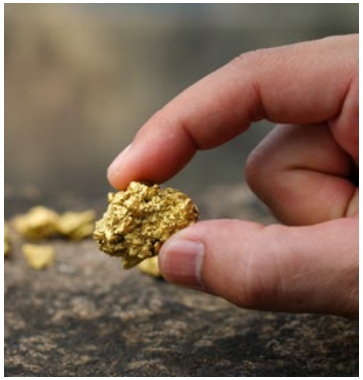
Verizon is a member of the Joint Audit Cooperation (JAC), an association of telecom operators that collaboratively audits suppliers common to JAC members and looks for opportunities to improve CSR across the Information and Communications Technology industry. JAC bolsters Verizon's CSR program by going beyond what suppliers pledge in their policies, to investigate their actual performance on-site. JAC has completed 366 on-site supplier audits since its inception in 2010, and 89 of them were completed in 2017.

Verizon joined the group in 2013 as the first U.S.-based member and serves on both the Leadership Assembly and Operational Board. Other members include AT&T, Deutsche Telekom, Orange, Telecom Italia, Proximus, KPN, Rogers, Swisscom, Telefónica, Telenor, TeliaSonera, and Vodafone.

Verizon wants to do business with companies that prioritize health, safety and environmental stewardship. To that end, we partner with the third-party assessment firm, Avetta, to screen our relevant contractors' safety and environmental performance. Avetta reviews injury rates, environmental health and safety violations, fines, corrective actions and other metrics, and compares the data to industry benchmarks. When weaknesses are identified, Verizon works with contractors to review root causes and corrective action plans. More than 2,000 contractors have registered in Avetta.

Conflict minerals

We encourage our partners to take steps to ensure that their products do not include materials that either directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (or in any adjoining country). Our Conflict Minerals Statement contains more information on our approach to this issue and is available here: http://www.verizon.com/about/sites/default/files/Verizon-Conflict-Mineral-Statement.pdf.



Hosted by Corporate Register

Supplier diversity

Our total spend with diverse suppliers is nearly $26 billion over the past five years.

We believe doing business with diverse suppliers creates a multiplier effect. Diverse suppliers deliver value to us by providing innovative goods, services and solutions that help make a difference to our customers, and they deliver value to the economy by contributing to our diverse communities.

In 2017, we purchased more than $5 billion in goods and services from diverse suppliers, including businesses owned by minorities, women, veterans, LGBTQ and people with disabilities. This brings our total spend with diverse suppliers to nearly $26 billion in the past five years.

Verizon is a charter member of the Billion Dollar Roundtable, a coalition of 27 companies that each spends more than $1 billion every year with diverse suppliers.

You can read more about our supplier diversity program here: http://www.verizon.com/about/our-company/supplier-diversity/.

We're proud to have earned numerous supplier diversity and inclusion awards. In 2017, these recognitions included:

- **Corporate 101: America's Most Admired Corporations for Supplier Diversity**, awarded by Minority Business News USA
- For the 12th consecutive year, recognized by the Women's Business Enterprise National Council as one of the **Top Corporations of the Year for supporting women-owned businesses**
- Included in the **United States Hispanic Chamber of Commerce's Million Dollar Club** and recognized for doing business with Hispanic-owned business enterprises
- Named by **Professional Woman's Magazine and U.S. Veterans Magazine** for having one of the top supplier diversity programs

Hosted by Corporate Register

Building accountability

Governance

Hosted by Corporate Register

© 2017 Corporate Responsibility Ltd

Code of conduct

As our Credo states: We believe integrity is at the core of who we are. This belief governs every aspect of how we run our business, from how our Board of Directors operates to our engagement with stakeholders.

Integrity

We monitor conflicts of interest and require Verizon Code of Conduct training to safeguard the integrity of our business.

We maintain a comprehensive ethics and compliance program that's built on our Verizon Code of Conduct and includes ongoing educational communications, mandatory training and readily accessible tools. The Verizon Code of Conduct defines how we work. It establishes a set of guidelines aligned with the principles in our Verizon Credo and our Core Values of Integrity, Respect, Performance Excellence and Accountability. The Code helps V Teamers make sound job-related decisions that strengthen our culture of integrity.

Compliance with the Code and applicable laws and regulations is expected wherever V Teamers conduct business on behalf of Verizon. All employees must complete required Code training and apply its principles in their work. The Code outlines ethical and legal expectations in a number of areas, including:

- Maintaining an inclusive, fair and healthy work environment
- Maintaining integrity and fairness in the workplace
- Protecting Verizon's assets and reputation
- Maintaining integrity and fairness in the marketplace

We also continue to share additional compliance and ethics-related communications with V Teamers, including training on privacy and information security for all employees.

Verizon's leadership team and Supply Chain Services organization are required to regularly complete a Conflict-of-Interest Questionnaire. All of the Verizon leadership team, as well as targeted populations in the supply chain, wireless indirect channel, wireless retail sales, and wireless network organizations, received a Conflict-of-Interest Questionnaire in 2017.

All V Teamers are encouraged to raise questions, report concerns and acquire any additional needed information about our ethics standards. V Teamers are provided with a suite of resources to help them fulfill our commitment to integrity, including:

- **The VZ Compliance Guideline**, available 24 hours a day at 844-VZGUIDE or 844-894-8433 in the U.S. and at (+) 800-624-0007 outside the U.S., online at www.verizonguideline.com; and via email at vzguide@verizon.com;
- **Our Security Control Center**, operated by our global security organization, which team members can reach 24 hours a day at 800-997-3287 in the U.S. and at 972-615-4343 outside the U.S. to report or inquire about issues ranging from international cybersecurity to legal compliance;
- **Our Reporting/Inquiry Channel** for accounting matters, managed by our Internal Audit group, which can be reached at accountingcomplaints@verizon.com (or through the VZ Compliance Guideline); and
- **Our Environmental and Safety Hotline**, for reporting emergencies, arranging for waste disposal or getting on-site help from the company's environmental and safety specialists, available at 800-386-9639 (both in and outside of the U.S.).

Hosted by Corporate Register

Anti-corruption

V Teamers in relevant operational roles receive anti-corruption training and communications that clearly articulate our expectations, core principles and zero tolerance for corrupt activities or unethical business practices.

Our training, which incorporates practical examples, helps employees understand and comply with various anti-bribery laws, including the U.K. Bribery Act and the U.S. Foreign Corrupt Practices Act. We instruct employees to seek legal approval before giving anything of value to a public official. We supplement our general compliance training with targeted communications and in-person instruction on an as-needed basis.

Verizon enforces a zero-tolerance policy for unethical business practices, including bribery or corruption of any kind.

Stakeholder engagement

Accessing diverse perspectives

Our long-standing Consumer Advisory Board (CAB), composed of diverse leading business and public-interest advocates, provides us with an unfiltered view of relevant technology, consumer, business and social issues at twice-yearly meetings. CAB members' perspectives and advice play a role in the development of many important Verizon policy and business decisions.

We strive to make it easy for our stakeholders to understand our positions and progress on issues that matter to them. As such, we publish:

- A semiannual Transparency Report, listing all the law-enforcement requests for customer information that we received in the U.S. and other countries in which we do business as of the publication date;
- A semiannual Political Contributions Report, disclosing all of Verizon's PAC contributions, corporate political contributions and independent expenditures; and
- The Verizon Broadband Commitment, which outlines our commitment to an open internet that provides consumers with competitive broadband choices and internet access – when, where and how they want it.

Hosted by Corporate Register

Governance

Verizon is governed by a 12-member Board of Directors, and each member stands for election annually. Verizon's business affairs are conducted by management, under the direction and supervision of the Board of Directors. The Board, and each committee of the Board, has complete access to management. At least once a year, the Board conducts a strategic planning session with management, and reviews succession planning and management development.

Our Board is committed to the highest standards of corporate governance because it believes that an effective board will positively influence shareholder value, enhance Verizon's reputation and create value for all our stakeholders. There are four standing committees: Audit, Corporate Governance and Policy, Finance, and Human Resources. All Board members, with the exception of our Chairman and CEO, are independent directors, and Ms. M. Frances Keeth serves as our lead Independent Director.

Our Board members reflect a wide range of viewpoints, backgrounds and expertise. Diversity is a core attribute of a well-functioning Board, and ours is highly diverse: seven of 12 members, or 58 percent, are women or minorities.

Corporate responsibility governance

The Board's Corporate Governance and Policy Committee reviews Verizon's position and engagement on important public policy issues that may affect our business and reputation, including political contributions, lobbying activities and corporate social responsibility.

58%
of the Board
is made up of women
or minorities.

The Verizon Leadership Council manages corporate responsibility activities across the company – establishing benchmarks and goals, assigning and enforcing accountability, and tracking outcomes of corporate responsibility initiatives. The Council is made up of senior executives from various operating units and staff groups, and is chaired by Chairman and Chief Executive Officer Lowell McAdam.

Learn more at http://www.verizon.com/about/investors/corporate-governance.

Hosted by Corporate Register

Risk management

Environmental, social and governance issues are among the many risks that we measure and manage as part of our risk management process. We track risks ranging from concerns over sustainable operations to those related to privacy and the use of data in the information economy.

The Board's Audit Committee assesses Verizon's significant business risks, including those related to data privacy and cybersecurity, and oversees Verizon's compliance processes and programs.

Human rights

Our Human Rights Statement articulates our respect for the broad principles outlined in the United Nations Universal Declaration of Human Rights.

Our Supplier Code of Conduct mandates that our business partners and suppliers conduct their operations in an ethically responsible manner and in compliance with applicable law.

Hosted by Corporate Register

GRI index

Hosted by Corporate Register

Disclosure Number	Disclosure Title	2018 Response
GRI 102: General Disclosures		
Organizational profile		
102-1	Name of the organization	Verizon Communications Inc.
102-2	Activities, brands, products, and services	Verizon 2017 10-K, pages 3-16 Our Company
102-3	Location of headquarters	Our Corporate Headquarters are located in New York, New York, while our Operational Headquarters are located in Basking Ridge, New Jersey.
102-4	Location of operations	We Are Global.
102-5	Ownership and legal form	Verizon Communications Inc. is a publicly held holding company, listed on the New York Stock Exchange (NYSE: VZ) and NASDAQ exchange (VZ).
102-6	Markets served	Countries served
102-7	Scale of the organization	Who we are
102-8	Information on employees and other workers	Building together (V-Team) – Diversity & inclusion
102-9	Supply chain	Building partnerships (Supply Chain)
102-10	Significant changes to the organization and its supply chain	There have been no changes to organization or supply chain during 2017.
102-11	Precautionary principle or approach	Verizon 2017 10-K, pages 18-20
102-12	External initiatives	CDP
102-13	Membership of associations	Global e-Sustainability Initiative (GeSI) Joint Audit Cooperation Family Online Safety Institute (FOSI)
Strategy		
102-14	Statement from senior decision-maker	Verizon 2017 Annual Report, page 4
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	Code of Conduct
Governance		
102-18	Governance structure	Governance
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder engagement
102-41	Collective bargaining agreements	Verizon 2017 10-K, page 16
102-42	Identifying and selecting stakeholders	Stakeholder engagement
102-43	Approach to stakeholder engagement	Stakeholder engagement Priorities
102-44	Key topics and concerns raised	Stakeholder engagement Priorities

Hosted by Corporate Register

Reporting practice		
102-45	Entities included in the consolidated financial statements	Verizon 2017 10-K, pages 3-16
102-46	Defining report content and topic Boundaries	Priorities
102-47	List of material topics	Priorities
102-48	Restatements of information	N/A
102-49	Changes in reporting	There have been no changes in reporting during 2017.
102-50	Reporting period	January 1, 2017 – December 31, 2017
102-51	Date of most recent report	2016
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	responsibility@verizon.com
102-54	Claims of reporting in accordance with the GRI Standards	Core
102-55	GRI content index	GRI Standards Content Index begins on page 50 of this report.
102-56	External assurance	Data presented in Verizon's 2017 Corporate Responsibility Report are subject to internal reviews and, for selected content, external reviews. Ernst & Young provided independent external assurance on our 2016 Scope 1, 2 and 3 (exclusively corporate travel) greenhouse gas emissions and water consumption. The assurance reports can be accessed in the Environment section of this report.
GRI 203: Indirect Economic Impacts		
103-1	Explanation of the material topic and its Boundary	Building abilities (Humanability)
103-2	The management approach and its components	Building abilities (Humanability)
103-3	Evaluation of the management approach	Building abilities (Humanability)
203-1	Infrastructure investments and services supported	What We Do Community investment Building abilities (Humanability)
GRI 301: Materials		
103-1	Explanation of the material topic and its Boundary	Managing waste Paper Sourcing and Use Policy
103-2	The management approach and its components	Managing waste Paper Sourcing and Use Policy
103-3	Evaluation of the management approach	Managing waste Paper Sourcing and Use Policy
301-3	Reclaimed products and their packaging materials	Managing waste

Hosted by Corporate Register

GRI 302: Energy		
103-1	Explanation of the material topic and its Boundary	Energy-efficient solutions Energy & emissions Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
103-2	The management approach and its components	Energy-efficient solutions Energy & emissions Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
103-3	Evaluation of the management approach	Energy-efficient solutions Energy & emissions Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
302-1	Energy consumption within the organization	Energy-efficient solutions Energy & emissions Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
302-2	Energy consumption outside of the organization	Energy-efficient solutions Energy & emissions Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
302-3	Energy intensity	2017 CDP Response, Climate Change
302-4	Reduction of energy consumption	Energy-efficient solutions Energy & emissions Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change

Hosted by Corporate Register

GRI 305: Emissions		
103-1	Explanation of the material topic and its Boundary	Energy-efficient solutions Energy & emissions Carbon intensity Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
103-2	The management approach and its components	Energy-efficient solutions Energy & emissions Carbon intensity Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
103-3	Evaluation of the management approach	Energy-efficient solutions Energy & emissions Carbon intensity Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change
305-1	Direct (Scope 1) GHG emissions	Energy & emissions 2017 CDP Response, Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	Energy & emissions 2017 CDP Response, Climate Change
305-3	Other indirect (Scope 3) GHG emissions	Energy & emissions 2017 CDP Response, Climate Change
305-4	GHG emissions intensity	Carbon intensity 2017 CDP Response, Climate Change
305-5	Reduction of GHG emissions	Energy-efficient solutions Energy & emissions Carbon intensity Efficient mobility Renewable energy Environmentally efficient stores & facilities 2017 CDP Response, Climate Change

Hosted by Corporate Register

GRI 306: Effluents and Waste		
103-1	Explanation of the material topic and its Boundary	Managing waste Paper Sourcing and Use Policy
103-2	The management approach and its components	Managing waste Paper Sourcing and Use Policy
103-3	Evaluation of the management approach	Managing waste Paper Sourcing and Use Policy
306-2	Waste by type and disposal method	Managing waste
GRI 308: Supplier Environmental Assessment		
103-1	Explanation of the material topic and its Boundary	Building partnerships (Supply chain)
103-2	The management approach and its components	Building partnerships (Supply chain)
103-3	Evaluation of the management approach	Building partnerships (Supply chain)
308-1	New suppliers that were screened using environmental criteria	Supplier Code of Conduct
GRI 401: Employment		
103-1	Explanation of the material topic and its Boundary	Building together (V Team)
103-2	The management approach and its components	Building together (V Team)
103-3	Evaluation of the management approach	Building together (V Team)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee growth & development Health & wellness Pay & family benefits
GRI 404: Training and Education		
103-1	Explanation of the material topic and its Boundary	Building together (V Team)
103-2	The management approach and its components	Building together (V Team)
103-3	Evaluation of the management approach	Building together (V Team)
404-1	Average hours of training per year per employee	Employee growth & development
GRI 405: Diversity and Equal Opportunity		
103-1	Explanation of the material topic and its Boundary	Building together (V Team)
103-2	The management approach and its components	Building together (V Team)
103-3	Evaluation of the management approach	Building together (V Team)
405-1	Diversity of governance bodies and employees	Diversity & inclusion 2017 Verizon Proxy Statement, page 5
405-2	Ratio of basic salary and remuneration of women to men	Diversity & inclusion

Hosted by Corporate Register

GRI 413: Local Communities		
103-1	Explanation of the material topic and its Boundary	Building abilities (Humanability)
103-2	The management approach and its components	Building abilities (Humanability)
103-3	Evaluation of the management approach	Building abilities (Humanability)
413-1	Operations with local community engagement, impact assessments, and development programs	Building abilities (Humanability)
GRI 414: Supplier Social Assessment		
103-1	Explanation of the material topic and its Boundary	Building partnerships (Supply chain)
103-2	The management approach and its components	Building partnerships (Supply chain)
103-3	Evaluation of the management approach	Building partnerships (Supply chain)
414-1	New suppliers that were screened using social criteria	Supplier Code of Conduct
GRI 415: Public Policy		
103-1	Explanation of the material topic and its Boundary	2017 Political Contributions Report
103-2	The management approach and its components	2017 Political Contributions Report
103-3	Evaluation of the management approach	2017 Political Contributions Report
415-1	Political contributions	2017 Political Contributions Report
GRI 418: Customer Privacy		
103-1	Explanation of the material topic and its Boundary	Product responsibility Transparency Report Privacy Policy
103-2	The management approach and its components	Product responsibility Transparency Report Privacy Policy
103-3	Evaluation of the management approach	Product responsibility Transparency Report Privacy Policy
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy Policy Transparency Report
GRI 419: Socioeconomic Compliance		
103-1	Explanation of the material topic and its Boundary	Product responsibility Privacy Policy
103-2	The management approach and its components	Product responsibility Privacy Policy
103-3	Evaluation of the management approach	Product responsibility Privacy Policy
419-1	Non-compliance with laws and regulations in the social and economic area	Verizon 2017 10-K, page 21, Note 15: Commitments and Contingencies

Hosted by Corporate Register