



AT&T 2015 Annual Sustainability Update

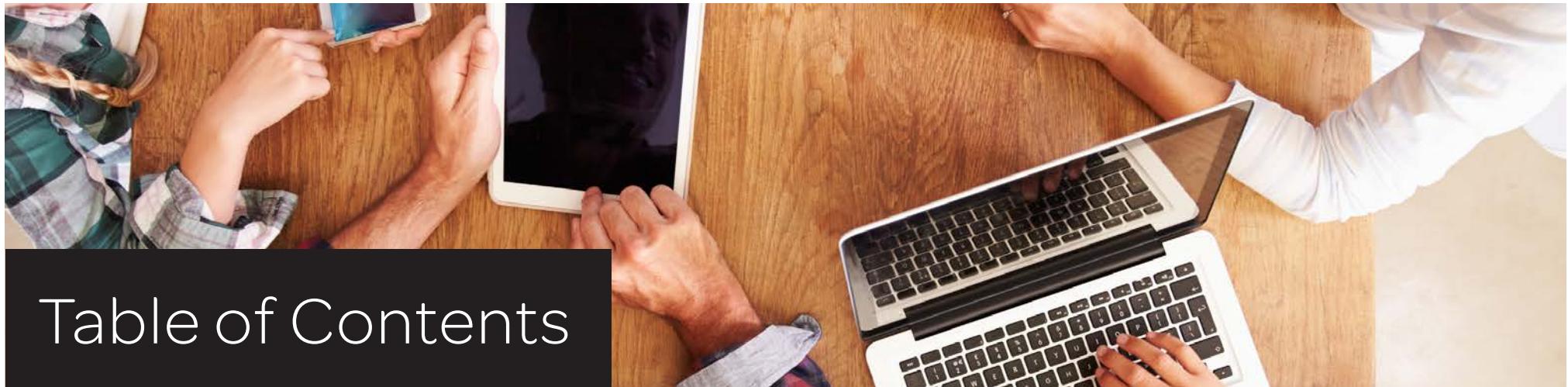


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Letter from our Chairman and CEO



Our world has never been more connected than it is today. From smartphones and smartwatches to smart homes and cities, connectivity is changing virtually everything about how we live, work and solve problems. And AT&T is proud to be in the center of it all. Everything we do is designed to harness the power of connectivity to change the world.

Consider the impact technology is having on one of humanity's biggest challenges: protecting the environment. Thanks to the Internet of Things – millions of wirelessly enabled sensors and devices – cities, companies and consumers have the ability to operate more efficiently, use less energy and reduce their impact on the environment. Smart traffic management, for example, can route cars in ways that save fuel. Smart homes can conserve power by knowing when we're not around. And smart irrigation systems can slash water usage by watering plants only when they need it.

Last year, we set an ambitious goal: by 2025, we will enable carbon savings that are 10 times the footprint of our total operations. To get there, we will leverage technology to deliver energy-saving customer solutions, increase the efficiency of our network and build on the thousands of projects we've implemented to reduce our energy and water consumption. Additionally, projects like our rapid transition to a software-centric network will allow us to move more data traffic while using less energy to do so.

Technology is also helping people prepare for jobs in the digital economy. AT&T has embarked on a multi-year effort to give our employees the skills they need for tomorrow's high-tech jobs. We teamed up with Udacity in 2014 to launch

the Nanodegree program, which provides employees – and potential employees – with affordable, online credentials for tech skills such as web development and coding. We're making 1,200 scholarships available for underserved students through qualified non-profit organizations and providing up to 100 paid internships for high-performing graduates.

We're also empowering students to gain the skills they'll need for the future. Our \$350 million AT&T Aspire commitment prepares them for success in school and the workplace. We're teaming up with best-in-class organizations – like Girls Who Code, Code.org and Black Girls Code – to help students develop computer science and coding skills. And we're using our technology to connect AT&T mentors with students wherever they are.

We've further broadened our efforts to drive innovation in education through AT&T Aspire Accelerator, which funds groups that are working to bring educational technology products or services to market. In 2015, we graduated our first class of five different ventures that are using technology to help students and start-ups succeed.

It's still early. We're just beginning to explore the potential of the connected world. But what we've seen so far is incredibly exciting. These tools will inevitably become smarter and more powerful over time. As they do, our ability to solve some of society's biggest challenges will increase exponentially.

And I can promise you that AT&T will be right there, leading the charge.

To learn more, please visit us at www.att.com/CSR.

“

AT&T is proud to be in the center of it all. Everything we do is designed to harness the power of connectivity to change the world.”

- Randall Stephenson,
Chairman and CEO

2015 By the Numbers

People



By end of 2015, AT&T hired more than 10,000 veterans, achieving our 2013 commitment. In 2016, we pledged to hire an additional 10,000 veterans by 2020



AT&T's workforce is 33% women and 42% people of color

Planet



\$119.1 million realized in annualized energy savings from 15,050 energy projects



5.9 million gallons of unleaded gasoline avoided in 2015 through use of 11,257 Alternative Fuel Vehicles (AFVs)

Possibilities



\$317 million invested through AT&T Aspire since 2008 toward a \$350 million commitment to education



\$156.6 million contributed through corporate, employee, social investment and AT&T Foundation programs in 2015

By the Numbers, Continued

People



More than 7.5 million pledges to keep eyes on the road and not on the phone through the *It Can Wait*® campaign as of December 2015



Spent \$13.7 billion, or 24.06% of total supplier spend, with minority, women and disabled veterans business enterprises

Planet



Approximately 7.3 million cell phones reused or recycled through AT&T



Top suppliers scored an average of more than 74% on our sustainability scorecard towards our goal of 80% by end of 2017

Possibilities



More than 1 million hours of student mentoring provided by AT&T employees through Aspire Mentoring Academy



More than 5.4 million employee and retiree volunteer hours

Challenges and Opportunities

A black and white photograph taken from a cyclist's perspective, looking down a city street. The cyclist's hands are visible gripping the handlebars of a bicycle in the foreground. In the middle ground, another cyclist is seen from behind, wearing a dark cap and shorts. To the left, a yellow taxi cab is parked on the side of the road. To the right, a dark-colored car is also parked. The background shows a blurred view of buildings and other city elements, suggesting motion.

2015 Was An Eventful Year For AT&T



With an eye to the future, our company is building a truly integrated communications company.

We are moving into a world where billions of devices will be connected to networks around the globe. From connected cars and houses to smart cities and supply chains, our customers demand end-to-end connectivity.

As part of our growth, we acquired DIRECTV and bought two companies that give us access to the Mexican wireless market¹. We completed these acquisitions throughout the year, so our reporting data largely still focuses on our pre-acquisition AT&T operations and impact. We've woven in DIRECTV data and other information where possible, and are working on aligning our systems internally for future reporting.

We know that our technology has the ability to enable meaningful social and environmental benefits. From connecting the next generations of classrooms to helping cities conserve precious resources, our products are driving positive change. To ensure that our workforce remains positioned to lead us into the future, we maintain a constant focus on re-skilling and training.

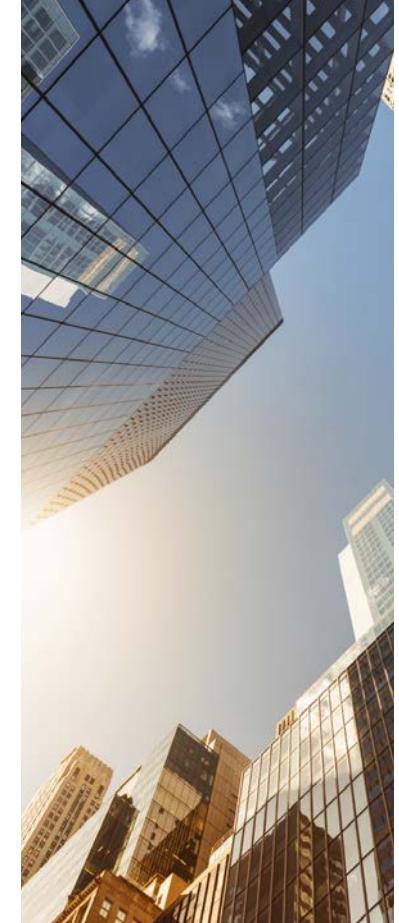
To guide us as we move forward, we announced a new set of long-term goals in 2015. Our work to attain these goals by 2025 is focused on three areas.

PEOPLE: Improving the daily lives of our customers, suppliers and employees.

PLANET: Transforming the way we and our customers care for our world.

POSSIBILITIES: Amplifying the combined strengths of our company and our communities to tackle broad challenges

Specific progress against our goals follows in future sections of this report.



¹ On January 16, 2015, AT&T completed its acquisition of Mexican wireless company GSF Telecom Holdings; On April 30, 2015, AT&T completed its acquisition of Nextel Mexico; And, in July 2015, AT&T complete its acquisition of DIRECTV. See the 2015 Annual Report for more details: <http://www.att.com/gen/investor-relations?pid=9186>

Challenges and Opportunities



People



We're working to improve the daily lives of our employees, suppliers and customers.

Employees

As the pace of technological change accelerates, [we're equipping our people](#) with the skills they need to succeed today and in the years ahead. We're using innovative training and building profiles of future job requirements to help our employees pivot their skills from hardware to software, from legacy wireline to mobile, and from data recorders to data scientists.

In addition, a commitment to [diversity and an inclusive culture](#) is essential to sustained innovation and growth, so we embed this commitment in our business practices and hold our employees accountable. Our employees also play a critical role in helping us meet our education goals. In January 2016, nearly a year early, we reached our goal of providing students with 1 million hours of mentoring by our employees. In addition, 4,527 employees received the [President's Volunteer Service Award \(PVSA\)](#) for volunteering in their communities at least more than 100

hours in the past year. Collectively, our employees and retirees volunteered more than 5.4 million hours in 2015.

Suppliers

We spend billions of dollars on goods and services every year with hundreds of companies. Given this reach, we know our [supply chain](#) is an area with extraordinary opportunity to improve business performance, help reduce our environmental impact and positively influence social equality. We've set [2020 and 2025 goals](#) in this area to help further imbed social and environmental considerations in our supply chain management and vendor selection.

Customers

We are dedicated to empowering our customers to use our products in a safe and responsible manner. Our [Digital You](#) website, created in collaboration with Common Sense Media and other digital literacy and online safety experts, is a resource for parents, youth, digital newcomers, people with disabilities and community leaders. It provides information on how to use certain devices, and how to maintain privacy, safety and security in an increasingly connected world.

We've continued to promote our [It Can Wait](#) campaign to raise awareness and change behaviors around distracted driving. In October 2015, we introduced the [It Can Wait](#) campaign in Mexico as Puede Esperar. We joined with government and community officials to launch an [It Can Wait](#) public awareness, advertising and pledge campaign in Mexico City in 2015 and we'll expand the program to other major cities in Mexico in 2016. This expansion builds on our effort in the United States, where we held more than 400 events in 2015 and have collected more than 8 million pledges from people who will keep their eyes on the road, not on their phone.



More than 7.5 million pledges to keep eyes on the road and not on the phone through the [It Can Wait](#)® campaign as of December 2015

Challenges and Opportunities



We're working to improve the way we and our customers care for our world.

AT&T recognizes that climate change is happening and that transitioning to a more [resource-efficient world](#) will drive success in the global economy. We believe that our technology can play a big role in this success.

That's why in 2015 AT&T set a goal to enable carbon savings 10 times the footprint of our operations by 2025. We'll get there by enhancing the efficiency of our network and delivering sustainable customer solutions.

The proliferation of Internet of Things (IoT) technology will play a big role in achieving this goal. We're teaming up with cities, companies and customers to implement solutions at scale.

For example, cities currently account for 60–80% of energy consumption and 75% of carbon emissions on Earth.² In 2015, we announced a new Smart Cities framework that was rolled out in several initial spotlight cities – including Atlanta, Chicago and Dallas. These locations are serving as pilots for solutions that focus on improving city infrastructure, transportation and citizen engagement in 2016. We're working with Cisco, Ericsson, GE, IBM, Intel and Qualcomm Technologies, Inc. to create impactful solutions to help cities tackle things like energy, water, waste and air quality challenges.

As we empower others, we also continue to tend to our own footprint. Through investments in energy efficiency and alternative energy, for example, we're working to improve network efficiency and reduce our resource use. As of the end of 2015, we implemented more than 40,000 energy efficiency projects since 2010, including more than 15,000 projects in 2015.

In addition, AT&T took our established mobile device eco-rating system a step further with the implementation of [Eco-Rating 2.0](#). The refreshed eco-ratings offer consumers a look into the environmental and social profiles of their AT&T-branded mobile devices and accessories. AT&T-branded tablets have also been added to the portfolio of eco-rated devices. Consumers can find a device's eco-rating icon on the package, in-store or online.

In 2016, we are continuing our efforts in all of these areas, applying our technology to connect to a better world.



\$5.9 million gallons of unleaded gasoline avoided in 2015 through the deployment of 11,257 AFVs

²United Nations: <http://www.un.org/sustainabledevelopment/cities/>

Challenges and Opportunities Possibilities



With the combined strengths of our company and our communities, we're tackling critical challenges.

The high school drop-out crisis and need for workforce readiness skills are areas in which we can play a powerful role through funding and technology.

Our signature philanthropic initiative, [AT&T Aspire](#), drives innovation in education – through technology, social innovation and relationships – to help ensure all students have the skills they need to succeed in school and beyond. We have passed the \$300 million mark on our plan to invest \$350 million in education from 2008–2017.

In 2015, our focus included a \$2 million contribution to support the expansion of the Girls Who Code Summer Immersion Program and Clubs Program, and the launch of the Girls Who

Code Alumni Network, which will help to make sure young graduates of the program have clear pathways to careers in the coding field.

We also graduated our first class of organizations from the [Aspire Accelerator](#). The Aspire Accelerator's mission is to support innovations that can empower every student for a successful future – exponentially and at scale. The first class has already impacted more than 2 million students, 200,000 teachers and 4,500 schools throughout the United States.

To prepare more people with the skills needed for high-demand tech jobs requiring technological expertise, we teamed up in 2014 with education technology leader Udacity to launch the Nanodegree program – which offers new educational online pathways to industry-relevant skills. Nanodegree courses are online, self-paced and taught by leaders in tech, with personalized coaches. Nanodegree credentials will be fully recognized for entry-level jobs at AT&T, and up to 100 graduates will be placed in paid internships at AT&T. Today there are more than 11,000 learners worldwide, including more than 1,000 employees who are enrolled in various Nanodegree credentials and 200 employees who have earned a credential.

The national graduation rate has now hit an all-time high of 82.3%,³ up more than 10 percentage points over the last dozen years. In spite of this progress, significant challenges remain. AT&T is committed to investing resources, developing initiatives and collaborating with stakeholders with the goal of increasing the U.S. high school graduation rate to 90% by 2020.⁴

\$317 MILLION

invested in
AT&T Aspire



\$317 million invested in AT&T Aspire toward a \$350 million commitment to student success in school and beyond

³ Civic Enterprises, Everyone Graduates Center at Johns Hopkins University, America's Promise Alliance, Building a Grad Nation Report Update 2014

⁴ Graduation rate as measured by GradNation, a campaign of America's Promise Alliance: <http://gradnation.org/channels/grad-rate-data>

2020/2025 Goals Progress



By 2025, some experts say there will be hundreds of billions of connected devices measuring, analyzing and networking to give us more information than ever before. The possibilities are endless and we want to seize them.

Focused on our vision – Connect to Good – we have established a 10-year roadmap of goals and targets to serve as milestones for this journey.

Our progress toward these goals is captured in the following pages.

Our Network and Our Customers

2020 Goal

We will continue to drive reductions in emissions and increases in resource efficiency and alternative energy deployment.

We will enable AT&T customers to lead more sustainable lives by expanding access to technology, further integrating sustainability solutions into products, and measuring the impacts.

Targets Toward Our 2020 Goal

Network/Operations

Reduce our Scope 1 emissions by 20% by 2020, using a 2008 Scope 1 baseline of 1,172,476 mtons CO₂-e

PROGRESS: We achieved 1,035,603 mtons CO₂-e of Scope 1 emissions in 2015, which equates to an almost 12% reduction as compared to our 2008 baseline.

Reduce the electricity consumption of our company relative to data growth on our network by 60% by 2020 (baseline of 2013)

PROGRESS: AT&T's electricity consumption (in Megawatt Hours) per Petabyte of data carried on its network (AT&T refers to this as its Energy Intensity metric) for 2015 is 129 MWh/Petabyte. Relative to our 2020 target for Energy Intensity (93 MWh electricity/Petabytes of network traffic), AT&T has to date achieved a 46% reduction as compared to the 2013 baseline of 233 MWh/Petabyte.

Expand our on-site alternative energy capacity to at least 45 MW – more than double our 2014 capacity – by the end of 2017 and intensify our pursuit of off-site renewables with competitive financials

PROGRESS: In 2015, AT&T expanded its solar capacity by 1,000 kW in California. We operationalized an additional 4,350 kW of clean, onsite fuel cell power, helping to power three AT&T sites in California and two in New Jersey. The estimated combined annual alternative energy production of these installations is 37.9MW.

Deploy approximately 15,000 alternative-fuel vehicles over a 10-year period through 2018

PROGRESS: As of end of 2015, AT&T had deployed a total of 11,257 alternative fuel vehicles to its fleet, including 3,231 hybrid-electric, all-electric and extended-range-electric vehicles, and 8,026 CNG service vehicles.



2020/2025 Goals Progress: Our Network and Our Customers

Customers

Develop and deploy robust methodology to understand AT&T's network impacts to society

PROGRESS: In 2015, AT&T began the process of engaging with industry groups and customers to develop a credible methodology to measure network impacts to society.

Building on a voice and data service network that covers more than 320 million people:

- By mid-year 2019, AT&T will have expanded its all-fiber Internet access service to reach at least 12.5 million mass market customer locations, such as residences, home offices and very small businesses. Combined with AT&T's existing high-speed broadband network, at least 25.7 million customer locations will have access to broadband speeds of 45Mbps or higher.*

PROGRESS: AT&T exceeded the 2015 annual milestone for deploying fiber internet access service to over 1.6 million mass market customer locations, and is on track again to exceed the year-end 2016 milestone for fiber deployment.

- For a four-year period beginning in 2015, AT&T will offer up to 1 Gbps service to any eligible school or library requesting E-rate supported services, where we have deployed fiber-based broadband Internet access services.*

PROGRESS: AT&T has offered 1 Gbps service in response to any eligible schools and libraries submitting bids for 1 Gbps speeds for the 2016 E-rate funding year in areas where AT&T has deployed fiber-based internet access service.

- For a four-year period beginning in 2016, AT&T will offer discounted wireline broadband service where technically available within AT&T's 21-state wireline footprint to low-income households that qualify for the government's Supplemental Nutrition Assistance Program. In locations where it's available, we will offer service with download speeds of at least 10 Mbps for \$10 per month. Elsewhere, we will offer 5Mbps service for \$10 per month or 3Mbps for \$5 per month, where such services are available.*

PROGRESS: On April 22, 2016, AT&T launched Access from AT&T, the discounted broadband services program, throughout its 21-state wireline footprint. In just a few months since launch, Access from AT&T is already connecting more low-income Americans to the internet and helping to bridge the digital divide. As of June 30, 2016, about 500 national, state and local public and private organizations have agreed to help promote Access from AT&T.

*Conditions of FCC DTV Merger Order

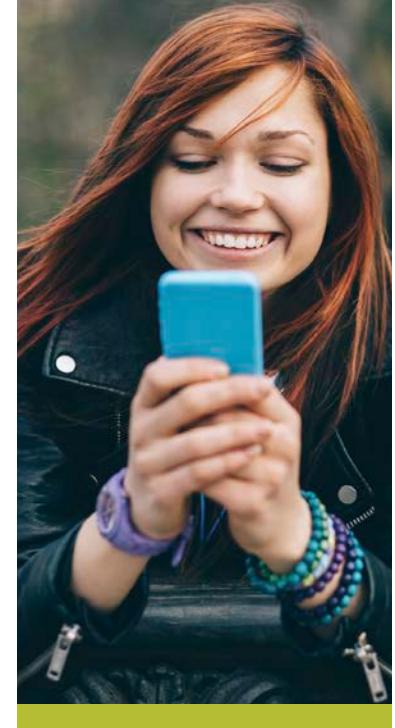
Collect more than 20 million devices for reuse, refurbishment or recycling by end-of-year 2020.

PROGRESS: At the end of 2015, approximately 7.3 million cell phones were reused or recycled through AT&T.

Provide sustainability information for all AT&T-branded network-connected consumer wireless devices.

- A comprehensive consumer strategy will provide a roadmap for providing Eco-Rating and/or responsible recycling/reuse information to consumers for wireless devices sold by AT&T.

PROGRESS: Since early 2016, AT&T has been collaborating with BSR to develop a roadmap across the enterprise that will provide consumers with information regarding environmental attributes of and responsible recycling information for all AT&T-branded network connected wireless devices.



2020/2025 Goals Progress: Our Network and Our Customers

Demonstrate the environmental and social enablement power of consumer devices and solutions to live smarter, healthier and more independent lives.

- Collaborate both internally and externally to help quantify the environmental and social sustainability enablement impacts of AT&T consumer devices and solutions (e.g., Internet of Things, Digital Life, Eco-Ratings, connected car, education, accessibility).

PROGRESS: As AT&T builds an overarching measurement methodology to reach our 2025 goal of enabling carbon reductions 10 times the footprint of our operations, we consider the relevant consumer-facing products and services that will help us reach our goal. Working with our internal business units, we continue to identify the environmental and social benefits associated with specific devices and solutions, as well as their power to enable smarter, healthier and more independent lives.

2025 Goal

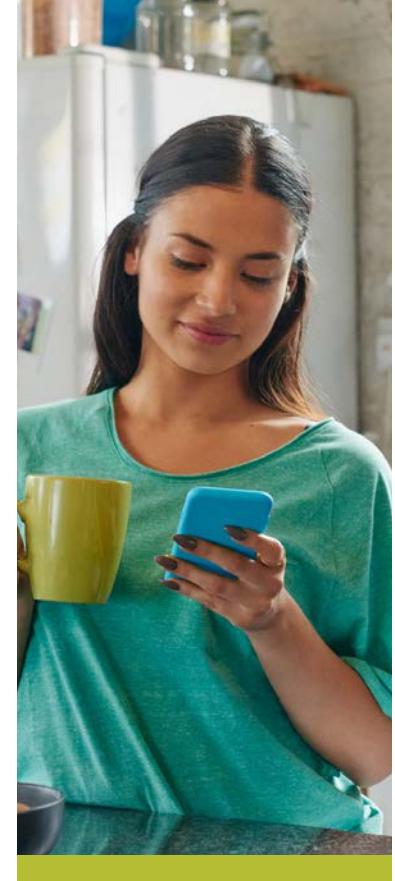
By 2025, AT&T will enable carbon savings 10x the footprint of our operations by enhancing the efficiency of our network and delivering sustainable customer solutions.

Targets to 2025

Enhance network efficiency to enable the achievement of the “net positive” ratio.

Deliver customer solutions to achieve “net positive” ratio.

PROGRESS: AT&T joined BSR’s Net Positive Project in 2016, a cross-sector coalition that aims to develop practices and tools companies can use to quantify, assess, communicate, and enhance their positive impacts on society and the environment.



Our Supply Chain

2020 Goal

We will lead our supply chain to improve its social and environmental impacts by integrating sustainability performance metrics into our sourcing decisions for 80% of our spend.

Targets Toward Our 2020 Goal

By the end of 2015, a majority of spend with strategic suppliers will be with those who track greenhouse gas (GHG) emissions and have specific GHG goals.

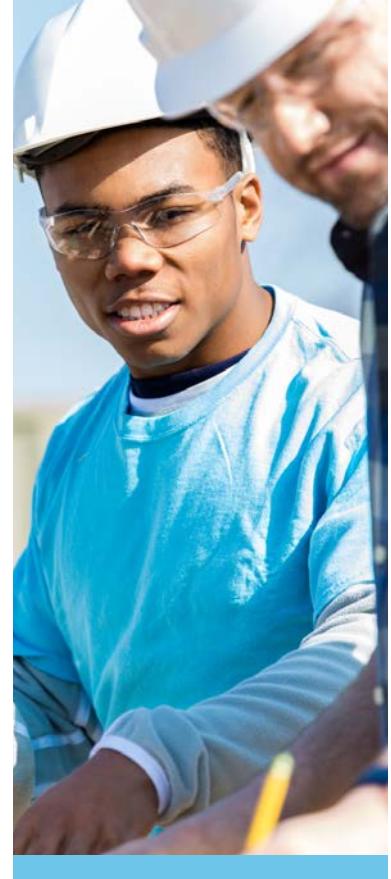
PROGRESS: At the end of 2015, suppliers representing more than 50% of spend reported that they were tracking greenhouse gas emissions and had greenhouse gas reduction goals.

By the end of 2017, achieve an average score of 80% or higher for top suppliers on the Supplier Sustainability Scorecard, which covers four key categories including policy breadth, rigorous goals, reporting transparency and supply chain governance.

PROGRESS: At the end of 2015, the average score for top suppliers was more than 74%, which is up from 63% in 2013.⁵

By the end of 2018, incorporate sustainability-oriented standards or analyses into our sourcing decisions with strategic suppliers.

PROGRESS: AT&T has made progress with actions including incorporating sustainability clauses into agreements and RFPs, training our contract managers on the principles of sustainability, and providing scorecards to contract managers on supplier sustainability performance. AT&T will continue to expand incorporation of sustainability oriented standards and analyses into sourcing decisions.



⁵This information is for AT&T only and does not include DIRECTV.

2020/2025 Goals Progress: Our Supply Chain

2025 Goal

We will work with our industry peers to develop and promote adoption of sustainability metrics that will transform the environmental and social impact of technology supply chains.

Targets to 2025

Establish clear, agreed-upon industry sustainability metrics

PROGRESS: AT&T is currently working with organizations, including CDP and QuEST Forum, toward the establishment of common measurements for benchmarking, tracking and improving the performance of companies in the industry.

Promote the use of these metrics in industry sourcing

PROGRESS: AT&T suppliers are currently using CDP Supply Chain metrics to measure and report their greenhouse gas emissions. This is providing our company and the other participating companies the necessary means to benchmark supplier emissions and work with suppliers on making improvements.

Develop and follow an industry roadmap toward truly sustainable performance

PROGRESS: AT&T is moving its suppliers along an industry roadmap with [CDP Supply Chain](#) and QuEST Forum to continuously improve measurements, benchmarking and results in sustainable supplier performance.



Our Communities

2020 Goal

We will invest resources, develop initiatives and collaborate with stakeholders with the goal of increasing the U.S. high school graduation rate to 90% by 2020.⁶

Targets Toward Our 2020 Goal

Plan to invest an additional⁷ \$250 million by 2017 to drive innovation in education, support effective local programs and create collective impact.

PROGRESS: We have invested approximately \$217 million since March 2012. Program highlights include:

- » Launching the Aspire Accelerator with the mission of supporting ed-tech innovations that have the potential to help every student achieve a bright, successful future – exponentially and at scale. The first class of five organizations has already impacted more than 2 million students, 200,000 teachers, and 4,500 schools throughout the United States.
- » Working with Udacity to launch the Nanodegree program, which offers new educational online pathways to industry-relevant skills, to prepare more people with the skills needed for high-demand tech jobs requiring technological expertise. Nanodegree courses are online, self-paced and taught by leaders in tech, with personalized coaches.
- » Supporting a number of organizations that help underserved students develop computer science and coding skills, including Girls Who Code, Black Girls CODE, and Code.org.
- » Contributing \$4.5 million to Communities In Schools, the nation's largest organization dedicated to keeping kids in school and helping them succeed in life. The investment supports advancement in data collection, technology, research and evaluation, as well as continued site coordinator support and mentoring by AT&T employees.

Engage students at risk of dropping out of high school with 1 million hours of mentoring with AT&T employees by the end of 2016.

PROGRESS: Between September 2012 and year-end 2015, students received more than 1 million hours of mentoring by AT&T employees through Aspire Mentoring Academy, reaching our goal ahead of schedule.



⁶ Graduation rate as measured by GradNation, a campaign of America's Promise Alliance: <http://gradnation.org/channels/grad-rate-data>

⁷ This investment builds on a previous \$100 million investment for a total commitment of \$350 million since 2008.

2020/2025 Goals Progress: Our Communities

Offer \$100 million of free mobile broadband access through 2017 in collaboration with the White House ConnectED initiative.⁸

PROGRESS: In 2014, AT&T committed – as part of the White House’s ConnectED initiative – to provide \$100 million of free mobile broadband connectivity for mobile learning to students and teachers in Title I schools across the country over the next few years starting in 2016. AT&T remains committed to providing connections to devices supplied or donated by manufacturers. In 2015, AT&T forged a partnership with Apple, another ConnectED participant company, and is on track with plans to provide more than 30,000 students and teachers with mobile broadband and optional web filtering by the end of the 2016/2017 school year.

Encourage technology application to solve vexing education challenges through the Aspire Accelerator for non-profits and for-profits.

PROGRESS: In 2015, AT&T selected five organizations – from 345 applicants – to support with a customized program that included financial investment, access to expert services and mentorship. The inaugural class of organizations thrived in the Aspire Accelerator. All together, the Aspire Accelerator participants reached more than 2 million students, 200,000 teachers, and 4,500 schools throughout the United States during the Aspire Accelerator program.

2025 Goal

We will invest resources, develop initiatives and collaborate with stakeholders to close the skills gap, by increasing the number of Americans with high-quality, post-secondary degrees or credentials to 60% by 2025.⁹

Targets To 2025

Promote STEM training by co-developing and attracting 10,000 students to the Georgia Tech online master’s degree in computer science program by 2017 and 23,000 students to Udacity- Nanodegree program by 2015.

PROGRESS:

- More than 11,000 learners worldwide, including more than 1,000 employees are enrolled in various Nanodegree credentials; to date about 200 employees have earned a credential.
- As of fall 2015, nearly 3,000 students have enrolled in the Georgia Tech online computer science program and more than 300 AT&T employees have been admitted. The program’s first class graduated in December 2015 and three of the graduates were AT&T employees.



⁸ ConnectED efforts are contingent on FCC e-rate compliance requirements, and federal, state, and municipal procurement frameworks that will not prohibit or extend these types of initiatives. Eligible school locations will be subject to network congestion, availability, and performance criteria.

⁹ Degree/credential rate as measured by MoveED, a campaign of the Lumina Foundation: <http://moveed.org/whatisgoal2025/>



Go Further/Explore



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**DIRECTV Corporate
Responsibility Highlights**

People
Planet
Possibilities



Global Reporting Initiative (GRI)



G4 Content Index
In accordance – Core

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General Standard Disclosures

Standard Disclosure	Disclosure Title	Location	External Assurance
Strategy and Analysis			
G4 -1	Statement from the most senior decision-maker of the organization	Please see the Letter from our CEO .	–
G4 -2	Key impacts, risks, and opportunities	Please see the Letter from our CEO and our AT&T Annual Sustainability Update .	–
Organizational Profile			
G4-3	Name of the organization	Please see our 10-K Form (part 1).	–
G4-4	Primary brands, products, and services	Please see our 10-K Form (part 1).	–
G4-5	Location of the organization's headquarters	Please see our 10-K Form (part 1).	–
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Please see our 10-K Form (part 1).	–
G4-7	Nature of ownership and legal form	Please see our 10-K Form (part 1).	–
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	<p>We have the nation's most reliable 4G network – serving 110 million wireless subscribers in the U.S. We hold spectrum licenses in all 50 U.S. states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. We also have voice coverage in more than 225 countries, data roaming in more than 210 countries, mobile broadband in more than 170 countries and wireless service on more than 250 cruise ships worldwide. Our U.S. customers are concentrated in 21 states, but we also serve millions of enterprise and multinational business corporations on six continents.</p> <p>Please see our Corporate Profile Website.</p>	–
G4-9	Scale of the organization	Please see our 10-K Form (part 1) and our Annual Report pgs. 41 – 45.	–

Standard Disclosure	Disclosure Title	Location	External Assurance
G4-10	Workforce Information	<p>At end-of-year 2015, AT&T had 281,450 employees, spanning 57 countries:</p> <ul style="list-style-type: none"> • Total 50-state workforce diversity: 33% women; 42% people of color • Total 50-state management diversity: 36% women; 34% people of color • Percentage of union-represented employees (as of Feb. 2016): 50% <p>Please see the Good Jobs and Workforce Diversity issue briefs, as well as the 2015 Diversity & Inclusion Annual Report.</p>	–
G4-11	Percentage of total employees covered by collective bargaining agreements	Approximately 52% of employees are covered by collective bargaining agreements.	–
G4-12	Describe the organization's supply chain	<p>AT&T purchases a substantial amount of products and services each year. Switching equipment, network facilities and supporting equipment and services comprise a major portion of these expenditures. AT&T generally purchases finished products from the manufacturer or through their authorized distributors and value-added resellers. Therefore, suppliers that sell telecommunications components or support services for these products usually sell to the manufacturers or the distributors, not to AT&T.</p> <p>For non-telecommunications equipment, AT&T purchases from a wide variety of suppliers. Here too, AT&T usually buys the finished product, not the components. For general services, AT&T works with contractors who are held responsible for the entire project or job.</p> <p>AT&T generally engages personnel to provide professional services such as programming, engineering and temporary personnel through agencies or brokers. Professionals are engaged directly only if they clearly meet the requirement for independent contractors under state and federal rules and regulations.</p> <p>For most over-the-counter commodities, AT&T buys from local companies using purchase orders. However, items purchased in volume are usually competitively bid to obtain volume discounts.</p> <p>Please also see attsuppliers.com, our Value Chain Map and Engaging Our Supply Chain issue brief.</p>	–
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	On January 16, 2015, AT&T completed its acquisition of Mexican wireless company GSF Telecom Holdings; On April 30, 2015, AT&T completed its acquisition of Nextel Mexico and in July 2015, AT&T completed its acquisition of DIRECTV. Please see our 10-K Form (part 1) and Annual Report pg. 55-57 for more details.	–
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	Signed by AT&T Chairman and CEO Randall Stephenson, the AT&T Environment, Health and Safety Policy asserts AT&T's commitment to preventing environment, health and safety incidents by integrating environment, health and safety considerations into business processes and encouraging suppliers to do the same.	–
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Please see the Policies and External Recognition sections of our Frequently Asked Questions page, and our Issue Brief Library for initiatives related to specific topics.	–

Standard Disclosure	Disclosure Title	Location	External Assurance
G4- 16	Memberships of associations (such as industry associations) and work with national or international advocacy organizations	Please see the External Recognition section of Frequently Asked Questions page, Stakeholder Engagement Policy , our Political Engagement Report , our Public Policy Website and our Issue Brief Library for initiatives related to specific topics.	—
Identified Material Aspects and Boundaries			
G4-17	List all entities included in consolidated financial statements or equivalent documents, including whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report	In 2015, AT&T acquired DIRECTV, GSF Telecom Holdings and Nextel Mexico. We completed these acquisitions throughout the year, so our reporting data largely still focuses on our pre-acquisition AT&T operations and impact. We've woven in DIRECTV data and other information where possible, and are working on aligning our systems internally for future reporting. Please see our 2015 2015 DIRECTV Corporate Responsibility Highlights report for more details on DIRECTV Corporate Citizenship initiatives. Please also see our 10-K Form (part 1, page 1) for more information.	—
G4-18	Explain the process for defining the report content and the Aspect Boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	Please see our Materiality Assessment , Value Chain Map and our Value Chain Mapping at-a-glance overview.	—
G4-19	List all the material Aspects identified in the process for defining report content	Please see our Materiality Assessment , Value Chain Map and our Value Chain Mapping at-a-glance overview.	—
G4-20	For each material Aspect, report the Aspect Boundary within the organization	Please see our Value Chain Map and our Value Chain Mapping at-a-glance overview.	—
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	Please see our Value Chain Map and our Value Chain Mapping at-a-glance overview.	—
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements	There have been no re-statements.	—
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	There were no major changes in scope and aspect boundaries.	—

Standard Disclosure	Disclosure Title	Location	External Assurance
Stakeholder Engagement			
G4-24	Stakeholder groups engaged by the organization	Please see our Materiality Assessment and Stakeholder Engagement Policy .	—
G4-25	Basis for identification and selection of stakeholders with whom to engage	Please see our Stakeholder Engagement Policy .	—
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	Please see our Materiality Assessment and Stakeholder Engagement Policy .	—
G4-27	Key topics and concerns rose through stakeholder engagement and organization's response. Report the stakeholder groups that raised each of the key topics and concerns.	Please see our Materiality Assessment , Value Chain Map and our Value Chain Mapping at-a-glance overview.	—
Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided	January - December 31, 2015, unless otherwise noted	—
G4-29	Date of most recent previous report	June 4, 2015	—
G4-30	Reporting cycle	Annual	—
G4-31	Contact point for questions regarding the report or its contents	Charles Herget: eh7392@att.com	—
G4-32	Report the 'in accordance' option the organization has chosen, GRI Content Index for the chosen option and report the reference to the External Assurance Report, if the report has been externally assured.	AT&T considered the Global Reporting Initiative G4 guidelines for this GRI Index and our 2015 Annual Update reporting materials. AT&T self-declared this report to the Core in Accordance level. This document is the GRI Content Index.	—

Standard Disclosure	Disclosure Title	Location	External Assurance
G4-33	Policy and current practice with regard to seeking external assurance for the report; Report the scope and basis of any external assurance provided; Report the relationship between the organization and the assurance providers; Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	<p>External assurance was not sought for this report as a whole. AT&T uses an external third party organization to assure its greenhouse gas emissions inventory and materiality assessment.</p> <p>For our 2015 Greenhouse Gas Inventory, we obtained independent assurance of our Scope 1, 2 and 3 (business travel) emissions from Trucost. Please see our Greenhouse Gas Management brief and assurance statement for more information.</p> <p>Ernst & Young provided assurance over specific aspects of our materiality assessment completed in 2013. AT&T's Chief Sustainability Officer, Charlene Lake, contributed to and formally verified the process for identifying the material aspects included in the sustainability process. Please see our Materiality Assessment and assurance statement for more information.</p>	—
Governance			
G4-34	Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	<p>Please see our Corporate Governance Website, in particular the Board of Directors Committee Charters:</p> <ul style="list-style-type: none"> • Audit Committee: Provides Board oversight of financial statements, audits and legal and regulatory requirements. • Corporate Development and Finance Committee: Provides Board oversight of the Company's finances, dividends, investments, strategic planning, etc. • Corporate Governance and Nominating Committee: Oversight of membership of the Board of Directors, as well as corporate governance guidelines. • Executive Committee: Acts on behalf of the Board in the intervals between meetings of the Board. • Human Resources Committee of the Board of Directors: Appointed by the board of directors to discharge the board's responsibilities related to compensation, benefits and succession. • Public Policy and Corporate Reputation Committee of the Board of Directors: Oversight of all sustainability issues, including environmental sustainability. <p>Our Citizenship & Sustainability Steering Committee comprises senior executives and officers across the company with responsibility for business areas most linked to these issues. Each officer represents her/his entire department on the committee so as to reach a broader range of issues and perspectives.</p>	—
Ethics and Integrity			
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Please see the Policies section of FAQ, Governance, Policies and in particular, our Code of Ethics and our Code of Business Conduct .	—

Specific Standard Disclosures

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPICS: Network Reliability & Access – Deployment to Rural and Unserved Areas				
ASPECT: ECONOMIC PERFORMANCE & INDIRECT ECONOMIC IMPACTS				
G4 – DMA: Please see our Network Reliability and Deployment to Rural and Unserved Areas issue briefs.				
G4 – EC1	Direct economic value generated and distributed	Please see our Annual Report pgs. 41 – 45.		–
G4 – EC8	Significant indirect economic impacts, including the extent of impacts	<p>Over the last five years (2010-2015), AT&T invested more in the U.S. than any other public company. Our total investment (U.S. and international), including capital investment and acquisitions of spectrum and wireless operations, was more than \$140 billion. Our 4G LTE network now covers nearly 365 million people in the U.S. and Mexico.</p> <p>To help meet the needs of customers in rural and/or unserved areas and expand the opportunities enabled by Internet access, AT&T has decided to participate in the FCC's Connect America Fund Phase II (CAF II) program. In August 2015, AT&T accepted about \$427 million per year in CAF II support to be used for the next 6 years. These funds are being used for deploying, maintaining and offering Internet access and voice service to 1.1 million mostly rural homes and businesses in 18 states located within our traditional exchange areas. AT&T is now building the network to provide this service to homes and small businesses, with availability growing throughout 2017 to about 440,000 locations by year end.</p> <p>The transition to IP-based networks holds new opportunity for rural and unserved communities, where high-speed connections can augment traditional services in areas such as education and health care. We're working with the Federal Communications Commission as we implement our proposal to conduct geographically limited IP transition trials in two sites. These trials will be overseen by the FCC as we transition from legacy network technologies to an all-IP, wireless and cloud communications network, where we will learn from the customers' experiences. The multi-year trials are taking place in two limited test sites — Carbon Hill, Alabama and the West Delray Beach area of Florida. We're working with consumers, communities, government entities, businesses and others to put in place technology solutions that benefit everyone; and, we're doing this while the traditional telephone network is still in place.</p> <p>In 2014, AT&T committed — as part of the White House's ConnectED initiative — to provide \$100 million of free mobile broadband connectivity for mobile learning to students and teachers in Title I schools across the country over the next few years starting in 2016. AT&T remains committed to providing connections to devices supplied or donated by manufacturers. In 2015, AT&T forged a partnership with Apple, another ConnectED participant company, and is on track with plans to provide more than 30,000 students and teachers with mobile broadband and optional web filtering by the end of the 2016/2017 school year.</p>		–

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPIC: Education				
ASPECT: INDIRECT ECONOMIC IMPACTS & LOCAL COMMUNITIES				
G4 – DMA: Please see our Supporting Education: AT&T Aspire issue brief.				
G4 – EC7	Development and impact of infrastructure investments and services supported	<p>Over the last five years (2010-2015), AT&T invested more in the U.S. than any other public company. Our total investment (U.S. and international), including capital investment and acquisitions of spectrum and wireless operations, was more than \$140 billion. Our 4G LTE network now covers nearly 365 million people in the U.S. and Mexico. In our communities, we contributed or directed nearly \$156.6 million through corporate, employee, social investment and AT&T Foundation giving programs.</p> <p>In July 2015, AT&T acquired DIRECTV. As part of that transaction, and building on a voice and data service network that covers 355 million people:</p> <ul style="list-style-type: none"> • By mid-year 2019, AT&T will have expanded its all-fiber Internet access service to reach at least 12.5 million mass market customer locations, such as residences, home offices and very small businesses. Combined with AT&T's existing high-speed broadband network, at least 25.7 million customer locations will have access to broadband speeds of 45Mbps or higher. • This commitment to build fiber to 12.5 million locations is in addition to the 1.1 million locations in the CAF II program. • For a four-year period beginning in 2015, AT&T will offer up to 1 Gbps service to any eligible school or library requesting E-rate supported services, where we have deployed fiber-based broadband Internet access services. <p>Please see our Supporting Education: AT&T Aspire and Deployment to Rural and Unserved Areas issue brief for more information.</p>	–	

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
G4 – SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	<p>The national graduation rate has now hit an all-time high of 82.3%,ⁱ up more than ten percentage points over the last dozen years. In spite of this progress, significant challenges remain. Serious graduation gaps persist between students of different races, ethnicities, income-levels and special needs. AT&T Aspire is proud to be a lead supporter of the Grad Nation Campaign and to work with many successful education organizations across the country, meeting the unique needs of students in their communities. Through AT&T Aspire we've impacted more than 1 million students in all 50 states and supported more than 1,000 high-performing organizations.</p> <p>In 2015, AT&T provided funding and support to a number of organizations with local community impact including:</p> <ul style="list-style-type: none"> • AT&T contributed \$4.5 million to Communities In Schools, the nation's largest organization dedicated to keeping kids in school and helping them succeed in life. The multi-year investment supports advancement in data collection, technology, research and evaluation, as well as continued site coordinator support and mentoring by AT&T employees. • AT&T contributed \$2.55 million to Jobs for America's Graduates (JAG) to enable the national non-profit to add new schools and/or expand existing programs through their 32 JAG State Affiliates with proven records of success of keeping kids in school. In addition to the expansion of JAG programs, the funding supports local mentoring events between JAG students and AT&T employees through the Aspire Mentoring Academy. • AT&T made a \$2 million contribution to Girls Who Code, a national nonprofit working to close the gender gap in the technology and engineering sectors. AT&T's contribution supports the expansion of the Girls Who Code Summer Immersion Program and Clubs Program. This includes hosting the Summer Immersion program at AT&T offices in six cities across the country. • AT&T contributed \$156,000 to Black Girls CODE to launch new chapters in Dallas and Miami, including the establishment of flagship chapter offices, operations and programming serving 1,000 students. • AT&T continued to be the premier presenter of 100 Grad Nation community summits coordinated by America's Promise Alliance, which launched in fall 2013 and will take place through 2016. • AT&T contributed \$250,000 to Teach For America to increase the infrastructure of its new computer science initiative, CS@TFA, in five regions. The funding supports the recruitment of additional computer science (CS) teachers in the San Francisco Bay Area, Kansas City, New York, South Carolina and Washington, D.C. • AT&T contributed \$400,000 to the College for All Texans Foundation to expand the state's Texas Affordable Baccalaureate (TAB) program, which aims to decrease both the cost and time required to earn a degree by leveraging competency-based education, online and hybrid instruction models and alternative tuition structures. TAB is part of the Texas Higher Education Coordinating Board's efforts to make higher education more accessible, affordable and responsive to student and industry needs. • AT&T contributed \$2.2 million to Roadtrip Nation (RTN), an organization that creates innovative career exploration resources to help students explore pathways aligned with their interests. The funding will help RTN reach more than 80,000 students nationwide throughout the 2015-2017 school years with its live events, exclusive high school curriculum and interactive online tools. <p>For more information, see the Supporting Education: AT&T Aspire issue brief.</p>		

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPIC: Company Energy usage				
ASPECT: ENERGY				
G4 – EN3	Energy consumption within the organization	<p>Total fuel consumption from non-renewable sources: 13,281,410 GJ</p> <p>Total fuel consumption from renewable fuel sources: 0 (refers to biofuels and biomass - none have been provided for inclusion in the 2015 inventory)</p> <ul style="list-style-type: none"> • Solar: 0 • Fuel Cell: 0 • Wind: 0 • Total: 0 <p>Report in joules, watt-hours or multiples, the total:</p> <ul style="list-style-type: none"> • Electricity consumption: 53,527,340 GJ • Heating consumption: 0 • Cooling consumption: 0 • Steam consumption: 198,062 GJ <p>Report in joules, watt-hours or multiples, the total:</p> <ul style="list-style-type: none"> • Electricity sold: 0 • Heating sold: 0 • Cooling sold: 0 • Steam sold: 0 <p>Total energy consumption: 67,006,812 GJ</p> <p>Standards, methodologies, and assumptions used: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition): Reported Scope 1 emissions have an uncertainty level of less than or equal to 2% due to extrapolations. Extrapolations from data samples were used for handheld propane, emergency generator runtimes, and refrigerants. Reported Scope 2 emissions have an uncertainty level of less than or equal to 2%, due to metering/measurement constraints. Consumption at leased facilities for which no utility or metering data is available is calculated via kWh/sqft intensity factors.</p> <p>Source of the conversion factors used: General conversion factors to convert fuel to joules, or multiples, were used.</p>		

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
G4 – EN5	Energy intensity	<p>Energy intensity ratio: 129 MWh/PB</p> <p>Organization-specific metric chosen to calculate the ratio: Electricity usage (Megawatt-hours, MWh) as compared to our network traffic growth (Petabytes, PB).</p> <p>Types of energy included in the intensity ratio: Electricity</p> <p>Whether the ratio uses energy consumed within the organization, outside of it or both: Includes energy consumed within the organization only.</p>		—
G4 – EN6	Reduction of energy consumption	<p>Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives: 4,154,335 GJ</p> <p>Types of energy included in the reductions: Electricity</p> <p>Basis for calculating reductions in energy consumption: Includes estimated annualized energy savings in electricity for projects completed in 2015.</p> <p>Standards, methodologies, and assumptions used: Energy savings are for highly visible programs where such savings are anticipated and tracked. Savings are calculated from the estimated annualized energy expense savings divided by the blended electricity billing rate for all domestic, direct-billed electricity, and then converted to gigajoules.</p>		—

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPICS: Product Design – Energy Efficiency & Product Recycling/Reuse				
ASPECT: ENERGY & PRODUCTS & SERVICES				
G4 – DMA: Please see our Product Life Cycle and Energy Management issue briefs.				
G4 – EN27	Extent of impact mitigation of environmental impacts of products and services	<p>Eco-Ratings:</p> <p>Announced during the 2015 International Consumer Electronics Show, AT&T took our established mobile device eco-rating system a step further with the implementation of Eco-Rating 2.0. The refreshed eco-ratings offer consumers a look into the environmental and social profiles of their AT&T-branded mobile devices. A device is assessed on 20 criteria to determine how it stacks up on our 1-5 star scale. Consumers can find a device's eco-rating icon on the package, in-store or online.</p> <p>The environmental and social aspects of AT&T-branded devices are measured through our Eco-Rating program, which provides customers information about the product's sustainability.</p> <p>This includes a rating (1-5 "stars") that manufacturers assign to a device, using a select group of sustainability criteria covering areas such as substances of concern, environmentally preferred materials, energy efficiency, end-of-life, and environmentally and socially responsible manufacturing.</p> <p>At the end of 2015, AT&T's portfolio of AT&T branded pre- and post-paid handsets reached an average of 4.25 Eco-Rated Stars. This is up from an average of 3.97 Eco-Rated Stars in 2014. Also, those devices rated in 2015 under the updated Eco-Ratings 2.0 reached an average of 3.88.</p> <p>For more information on the specific sustainability criteria of Eco-Ratings, as well as industry efforts, in which we participate on this issue, please see our Product Life Cycle issue brief and EcoSpace website.</p> <p>Paper:</p> <p>AT&T encourages customers to use paperless billing, and our website www.att.com/simplify is a one-stop resource to choose paperless billing and self-service. In 2015, more than 300,000 additional customers opted to receive only an electronic bill, bringing the total number of customers going paperless to approximately 21.2 million by the end of 2015. Through this initiative and other paper reduction projects, we purchased 52.3% less paper by weight for consumer and business than we did in 2010, which equates to a reduction of more than 21 million pounds of paper.</p>		—
G4 – EN28	Percentage of products sold and their packaging materials that are reclaimed by category	In 2015, approximately 7.3 million phones were reused or recycled through AT&T. This included 706,971 pounds of cell phone batteries and accessories.	(Percentages are not reported) The total number of phones sold each year is proprietary.	—

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPIC: Greenhouse Gas Emissions				
ASPECT: EMISSIONS				
G4 – DMA: Please see our Greenhouse Gas Emissions and Company Fleet and Transportation issue briefs.				
G4 – EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	<p>Gross direct (Scope 1) GHG emissions: 1,035,603 mtons CO₂e</p> <p>Gases included in the calculation: CO₂, CH₄, N₂O, HFCs</p> <p>Biogenic CO₂ emissions: 0 mtons CO₂e</p> <p>Report the chosen base year, the rationale for choosing the base year, emissions in the base year, and the context for any significant changes in emissions that triggered recalculations of base year emissions: The base year is 2008 and baseline emissions were 1,172,476 mtons CO₂e. 2008 was selected as the first year for which our Scope 1 emissions were inclusive of all emissions sources within the portfolio and a period following the integration of new portfolio assets through acquisition.</p> <p>Standards, methodologies, and assumptions used: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), US EPA Climate Leaders: Direct HFC and PFC Emissions from Manufacturing Refrigeration and Air Conditioning Equipment, US EPA Greenhouse Gas Reporting Program</p> <p>Source of the emission factors used and the global warming potential (GWP) rates used: GWP - IPCC Fourth Assessment Report (AR4 – 100 year); Emissions factors – US EPA MRR Final Rule (40 CFR 98) 2013 Revisions – Tables C1 and C2 to Subpart C</p> <p>Chosen consolidation approach for emissions: Operational Control</p>		✓
G4 – EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	<p>Gross energy indirect (Scope 2) GHG emissions: 7,632,463 mtons CO₂e</p> <p>Gases included in the calculation: CO₂, CH₄, N₂O</p> <p>Report the chosen base year, the rationale for choosing the base year, emissions in the base year, and the context for any significant changes in emissions that triggered recalculations of base year emissions: AT&T established a 15% Scope 2 energy intensity reduction target for 2020, relative to a 2013 baseline. The 2013 baseline intensity was 233 MWh/petabyte of data transmitted, which corresponds to a 2013 baseline of 8,103,246 metric tons CO₂ equivalent.</p> <p>Standards, methodologies, and assumptions used: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), US EPA Climate Leaders: Indirect Emissions from Purchases/Sales of Electricity and Steam</p> <p>Source of the emission factors used and the global warming potential (GWP) rates used: USEPA eGRID2012 / October 2015, International Energy Agency Data Services. 2014 – Year 2012. “CO₂ Emissions from Fuel Combustion”; GWP – IPCC Fourth Assessment Report (AR4 – 100 year); Emission Factors – US EIA Form EIA-1605, Appendix N. Emission Factors for Steam and Chilled/Hot Water</p> <p>Chosen consolidation approach for emissions: Operational</p>		✓

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
G4 – EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	<p>Gross other indirect (Scope 3) GHG emissions: 77,744</p> <p>Gases included in the calculation: CO₂, CH₄, N₂O</p> <p>Biogenic CO₂ emissions: 0 mtons CO₂e</p> <p>Other indirect (Scope 3) emissions categories and activities included: Business Travel</p> <p>The chosen base year, the rationale for choosing the base year, emissions in the base year, and the context for any significant changes in emissions that triggered recalculations of base year emissions: The base year is 2008 and emissions were 56,110 mtons CO₂e. 2008 was selected as the first year for which our Scope 3 emissions were inclusive of all emissions sources within the portfolio and a period following the integration of new portfolio assets through acquisition. Estimates for additional Scope 3 categories (purchased goods and services, capital goods, and upstream transportation and distribution) are calculated based on previous years' supplier emissions and supplier spend data using an economic allocation model. Given the annual lag in supplier emissions availability, we are not including them in the 2015 scope 3 emissions total.</p> <p>Standards, methodologies, and assumptions used: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition); DEFRA Guidance on Business Travel</p> <p>Source of the emission factors used and the global warming potential (GWP) rates used: GWP-IPCC Fourth Assessment Report (AR4 - 100 year); Emissions factors - US EPA MRR Final Rule (40 CFR 98) – Tables C1 and C2 to Subpart C, DEFRA – Business Travel-Air.</p>		✓ (only for business travel)
G4 – EN18	Greenhouse gas (GHG) emissions intensity	<p>GHG emissions intensity ratio: 75.26 mtons CO₂e per Petabyte</p> <p>Organization-specific metric chosen to calculate the ratio: 115,170 Petabytes of Network Data</p> <p>Types of GHG emissions included in the intensity ratio: Scopes 1 and 2</p> <p>Gases included in the calculation: CO₂, CH₄, N₂O, and HFCs</p>		–
G4 – EN19	Reduction of greenhouse gas (GHG) emissions	<p>Amount of GHG emissions reductions achieved as a direct result of initiatives to reduce emissions: 597,699 mtons CO₂e</p> <p>Gases included in the calculation: CO₂, CH₄, N₂O</p> <p>Base year or baseline and the rationale for choosing it: 2014 – year over year savings</p> <p>Standards, methodologies, and assumptions used: GHG Protocol: Corporate Reporting Standard</p> <p>Whether the reductions in GHG emissions occurred in direct (Scope 1), energy indirect (Scope 2), other indirect (Scope 3) emissions: Scope 1 and 2, primarily.</p>		–

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPIC: Compensation & Benefits				
ASPECT: EMPLOYMENT & TRAINING & EDUCATION				
G4 – DMA: Please see our Good Jobs and Work/Life Balance issue briefs.				
G4 – LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	<p>We provide health coverage, life insurance and disability coverage, and in 2015, afforded health and welfare benefits to approximately 1.2 million employees, retirees and their dependents.</p> <p>In addition to medical, dental, vision, life and disability coverage, we remain committed to helping employees plan for their retirement. Through various vehicles — including defined benefit pension plans and/or 401(k) savings plans with generous matches — employees have the opportunity to save toward retirement.</p> <p>For many employees, we offer flexible spending accounts, health reimbursement accounts and/or health savings accounts that allow employees to pay for out-of-pocket health care and dependent care costs with funds not subject to federal taxes.</p> <p>We offer a broad selection of benefits geared toward certain life events, including adoption, tuition aid, long-term care and the treatment of certain investigational medical conditions not covered by traditional health plans.</p> <p>For more information on our benefits, visit our careers website.</p>	Retirement provision, stock ownership and breakdown by location are not applicable to AT&T.	–
G4 – LA9	Average hours of training per year per employee by gender, and by employee category	<p>We provided an average of 90 hours of training per employee in 2015, or more than 24 million total hours.</p> <p>In 2015, AT&T invested \$230 million in direct employee training development programs.</p>	Gender and employee category specifications are not available.	–

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
G4 – LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	<p>In 2015, we invested \$230 million in employee learning and professional development programs. Our success in learning and development has been recognized by Chief Learning Officer Magazine. AT&T placed in the top two spots in the publication's LearningElite in each of the last three years – including No. 1 rankings in 2013 and 2011 — and we are now in the publication's Winner's Circle.</p> <p>Through our Tuition Reimbursement Program, we provide financial assistance to management and non-management employees to earn academic degrees to support their career development. In 2015, AT&T's tuition program assisted nearly 10,900 employees— 56% were people of color. In 2015, over \$31 million was invested on tuition assistance for both management and non-management employees.</p> <p>Many bargained-for employees are covered by a Job Offer Guarantee that guarantees they will receive another job offer with the company when in a lay-off situation; severance pay for bargained-for employees is generally determined based on service; some training and assistance may be available depending on contract.</p> <p>Outplacement (career transition) services are available to eligible management employees whose existing jobs are eliminated or relocated. RiseSmart services are offered for a period of four months and address issues related to initiating a job search, including resume preparation, interviewing skills and negotiating the job offer. Severance pay is available for eligible management employees whose job is eliminated or relocated; severance pay is calculated based upon the employee's base salary and years of service with the company; payouts range from a minimum of 4% of an employee's annual base salary for employees with 0-1 year of service with AT&T to a maximum payout of 50% of an employee's annual base salary for those with 13 or more years of service.</p> <p>We have developed a whole suite of programs designed specifically to upskill our employees. With this in mind, we have developed the following programs:</p> <ul style="list-style-type: none"> - <u>Nanodegrees</u>: We partnered with Udacity to develop nanodegrees which are efficient, accessible and affordable training for high-demand tech jobs. The Nanodegree curriculum is taught through the Massive Open Online Course (MOOC) format with a community of coaches and training on how to advance a career. The first programs were rolled out in the fourth quarter 2014 and today there are 12 different credentials across web and mobile development, plus tech entrepreneurship. The Nanodegree credential is fully recognized for entry-level software jobs at AT&T. - <u>Georgia Tech Online Masters of Computer Science</u>: AT&T teamed up with Georgia Tech and Udacity in January 2014 to launch the first-ever Online Master of Science in Computer Science (OMS CS) delivered completely online through the massive online format. By making graduate degrees and certifications available online at lower rates, we are using the power of our network to build a better tomorrow by removing many barriers for students who can't access or pay for higher education. AT&T is reimbursing tuition costs for management employees through our tuition aid model. - <u>Technology Tracks & Transformation Learning Series</u>: Series with Foundational Learning Transformation Series that provides basic knowledge explaining new technologies changing our business, and as well as an intermediate level Internal Technology Certifications in high demand areas. <p>Additionally, AT&T University provides training resume writing skills training, effective interview techniques and training on how to create a personal brand. This training is available to all employees.</p>		

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G4 – LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	100% of employees received a formal performance appraisal and review during the reporting period.	—	—
AT&T MATERIAL TOPIC: Customer Privacy				
ASPECT: CUSTOMER PRIVACY				
	G4 – DMA: Please see our Protecting Privacy issue brief.			
G4 – PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	<p>AT&T takes customer privacy very seriously, and our privacy commitments are fundamental to the way we do business. We don't sell personal information to anyone, for any purpose, and customers have choices about how we use their information. We also are committed to transparency in communicating our Privacy Policy to our customers in plain language.</p> <p>The importance of protecting customer privacy is featured in our Code of Business Conduct, which all AT&T employees are required to review and acknowledge annually. In addition, privacy and information security training is provided on an annual basis. AT&T also makes privacy and security information available to employees through various means, including internal websites and company communications.</p> <p>Each year, we also issue a Transparency Report that provides specific information regarding the number and types of government and law enforcement demands to which we responded during the year.</p> <p>For more information, please see our Privacy Policy and Protecting Privacy issue brief.</p>	—	—

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPIC: Social/Environmental Innovation				
G4 – DMA: Please see our Innovation issue brief.				
N/A	<p>AT&T works with innovators inside and outside AT&T to create unique personal, digital and mobile experiences that enrich and simplify our customers' lives.</p> <p>Some of the ways we track progress on innovation include:</p> <ul style="list-style-type: none"> • Average number of patents (U.S. and foreign) received per business day: More than 5 • Number of active patents: 12,500 • Investment in development of new ideas generated through The Innovation Pipeline, cumulative since 2009 — \$44 million committed, with more than 75 projects landing for development. • Cumulative number of app prototypes developed at AT&T Hackathons: More than 1,000 • Number of projects started by AT&T Foundry since 2011: More than 200 <p>For more information please visit http://about.att.com/innovation and our Innovation issue brief.</p>			—

Standard Disclosure	Disclosure Title	Location	Explanation/Reason for Omission	External Assurance
AT&T MATERIAL TOPIC: Network/Data Security				
G4 – DMA: Please see our Network Security issue brief.				
N/A		<p>AT&T operates one of the world's most advanced and powerful global backbone networks, carrying more than 70 petabytes of data traffic on an average business day to nearly every continent and country. Security is at the core of our networks and central to everything we do. AT&T maintains a global security organization comprising more than 1,000 security professionals. More than 1,000 additional security professionals work in other organizations within AT&T, as well.</p> <p>AT&T maintains global ISO 27001 certification, which includes all enterprise sites and functions performed globally, including all AT&T internet data centers, and AT&T's hosting and cloud services.</p> <p>We also encourage employees to obtain security training and achieve accreditations and certifications when relevant. This training is conducted both within AT&T and through corporate training organizations such as:</p> <ul style="list-style-type: none"> • The International Information Systems Security Certification Consortium Inc. (ISC)² • Information Systems Security Association • The SANS Institute • Vendor and product-specific training and certification <p>Our large population of security professionals maintains certifications and credentials such as:</p> <ul style="list-style-type: none"> • Certified Information System Services Professional (CISSP) • Certified Information Systems Auditors (CISA) • Certified Information Security Management (CISM) • Certified Ethical Hacker (CEH) • Global Information Assurance Certification (GIAC) <p>AT&T was the first private-sector company to receive certification under the Department of Homeland Security's Private Sector Preparedness (PS-Prep) program. This validates that we are able to maintain or recover our business operations in the face of an emergency or disaster, whether natural, man-made or cyber in nature. The Network Operations Planning and Support team coordinates these efforts across every organization within AT&T.</p>		

ⁱ Civic Enterprises, Everyone Graduates Center at Johns Hopkins University, America's Promise Alliance, Building a Grad Nation Report Update 2014

