

# **Leadership Letter**

Message from our CEO

We're on a journey committed to sustainability and corporate responsibility. For over 25 years, Crown Castle has met the increased need for connectivity through our shared communications infrastructure model, which is inherently sustainable. We build once and use our infrastructure for multiple customers.

As 5G drives demand in the US across our assets—towers, small cells and fiber—we're taking important steps to make progress on the goals we set and improve our disclosure and transparency.



President & CEO

In 2021, Crown Castle set a goal to be carbon neutral by 2025 for Scope 1 and Scope 2 emissions as we work to reduce our carbon footprint to help address the global challenge of climate change. We're proud of the significant progress we've made to both reduce our overall emissions and source renewable energy. We continue to invest in upgrading our lit towers to more energy efficient LED lighting, and beginning in 2022, we are sourcing renewable energy which amounts to more than 60% of our 2021 annual electricity consumption.

Last year we established a goal to increase our spending with diverse suppliers. In 2021, our spending with diverse suppliers was over \$160 million, which represented more than 10% of our addressable spend and is another step toward realizing our vision to build an inclusive and diverse community. We launched company-wide inclusion and diversity principles and have held multi-day sessions to foster the important discussions that will lay a foundation for a more equitable and inclusive Crown Castle community.

The diversity of our company's board of directors remains a strength. Following the refreshment of our board, aimed at enhancing the balance of skills, backgrounds and expertise, 60% of our board directors are now women and/or persons of color.

We're committed to continue to reduce the impact from our assets and operations on the environment and the communities in which we operate. With the talent across our company and the expertise within our board, I'm confident that our journey will be successful.

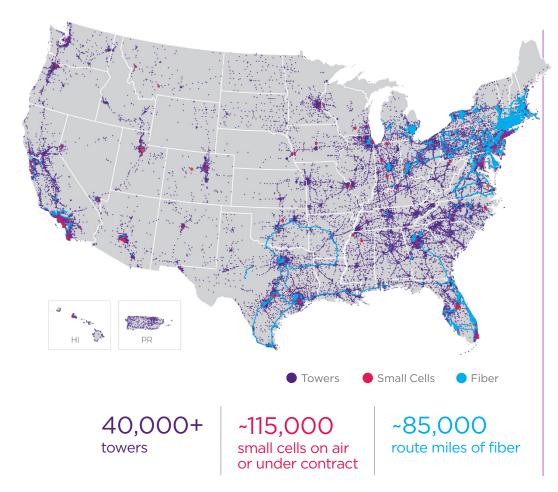


Tammy K. Jones Chair of the Nominating. Environmental, Social and Governance Committee

Our focus on ESG matters is broad reaching, and an important component is diversity and inclusion. Diverse teams lead to outperformance. We are focused on creating value, starting with developing a diverse ecosystem of talent and being very intentional on where our capital is invested.

# **Our Business**

The nation's largest provider of shared communications infrastructure<sup>1</sup>



#### **Towers**

Towers are ideal for meeting consumer demand for reliable, widespread voice and data coverage throughout the country.

#### **Small Cells**

Small cells are low-power antennas—sometimes called nodes—that are often attached to poles or streetlights in the public right of way. They work seamlessly with towers to increase network capacity.

#### **Fiber**

Fiber provides high speed and high bandwidth connectivity for enterprise customers and our network of towers and small cells. We own and operate one of the largest and densest fiber networks in the country.

Founded in 1994, Crown Castle works in every major US market to build, operate and maintain the communications infrastructure essential to connecting people, communities and businesses. We understand that connectivity is the lifeline to public safety, learning, employment, transportation and many services that allow communities to thrive.

As a real estate investment trust (REIT), we lease space on our shared communications infrastructure through long-term contracts with our customers—the leading US wireless carriers and other enterprises. Our colocation model allows our customers to build and operate their networks with increased efficiency, less environmental impact and reduced cost, paving the way to lower cost access to connectivity.

1 As of March 31 2022

# **An Inherently Sustainable Business Model**

Our business model of providing shared communications infrastructure is inherently sustainable because we build once and use our infrastructure for multiple customers. The sharing of assets lowers the number of total assets that would otherwise be needed and reduces overall emissions by decreasing the use of materials and other resources. This model, along with our commitment to continue making decisions that are good for our business and the environment, is core to our goal to be carbon neutral by 2025 for Scope 1 and 2 emissions. Our inherently sustainable business model is demonstrated by Crown Castle having a carbon intensity of 0.7, which is more than 100 times lower than the S&P average.<sup>2</sup>

#### **Benefits of Shared Infrastructure**

Our shared infrastructure model supports multiple customers and results in the use of fewer resources—including water, energy, metals and other materials—than would otherwise be needed to construct and maintain communications infrastructure.

# SHARED INFRASTRUCTURE MODEL SINGLE TENANT INFRASTRUCTURE MODEL

<sup>1.</sup> Crown Castle's carbon intensity calculation is based on 2021 Scope 1 and 2 total emissions in metric tons of carbon dioxide equivalent per \$1B in enterprise value. Enterprise value is as of July 11, 2022.

<sup>2.</sup> Calculation based on available data from Refinitiv as of July 11, 2022.



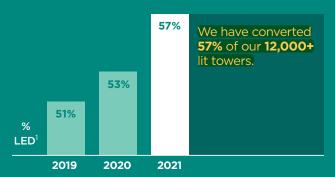


Established goal to be

# Carbon Neutral by 2025

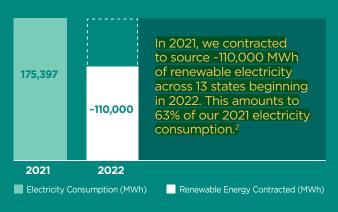
in Scope 1 & 2 emissions

# Convert our lighting sytems on lit towers to LED to reduce emissions



1. Percentages calculated based on the total lit tower count as of December 31 of each year represented.

# Source renewable energy to power our operations



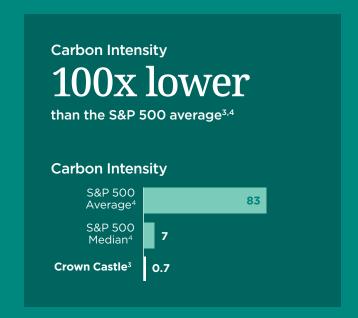
2. See p. 7 for further information regarding our 2021 electricity consumption.

# Established a sustainability-linked structure within our credit facility,

focused on energy consumption reduction and renewable energy investments.



 ${\it 4. } \ {\it Calculation based on available data from Refinitiv as of July 11, 2022.}$ 



# ENVIRONMENTAL HIGHLIGHTS

#### 2021 Greenhouse Gas (GHG) Emissions

In order to craft an informed strategy to reduce GHG emissions, we calculated our 2021 Scope 1 and 2 GHG emissions based on energy utilization across our operations, including towers; small cells and fiber; offices and warehouses; fleet and generators.

	Fuel and	d Energy Consun	nption <sup>1,2</sup>	Greenhouse Gas Emissions <sup>1,6</sup>			
Asset Class	Natural Gas (therms)	Electricity (kWh)	Diesel, Gasoline and Propane (MMBtu)	Scope 1 (MTCO₂e)	Scope 2 <sup>7</sup> (MTCO₂e)	Scope 1 & 2 TOTAL	
Towers <sup>3</sup>	-	72,485,536	_	-	26,622	26,622	
Small Cells and Fiber	_	72,145,362	_	_	20,616	20,616	
Offices and Warehouses <sup>4</sup>	380,520	30,766,147	4,560	2,361	10,549	12,910	
Fleet⁵	_	_	116,729	9,403	_	9,403	
Generators	14,725	_	16,349	1,288	_	1,288	
Total	395,245	175,397,045	137,638	13,052	57,787	70,839	

#### 2021 Scope 1 & 2 Emissions



- 1. Based on an operational control approach, as defined by WRI GHG Protocol and scope guidance. Boundaries include all material operating locations.
- 2. Where actual consumption data was not available, we used a sampling approach or public information, such as equipment fuel efficiency and power ratings, to estimate fuel and energy consumption.
- 3. The 2021 methodology for capturing emissions associated with HVAC systems at our tower sites leveraged a unit type approach for each HVAC unit category (e.g., central air, window unit, etc) to precisely reflect the differing energy consumption levels of each type and resulting emissions.
- 4. Based on actual consumption data for offices, owned and leased square footage, and estimates derived from nationwide energy intensity statistics from the Energy Information Administration's (EIA) Commercial Building Energy Consumption (CBEC) Survey for the remainder of the offices.
- 5. Based on estimated allocation between diesel and gasoline vehicles.
- 6. We used emission factors from 40 CFR Part 98 Tables C-1 and C-2 and EPA eGRID factors. Global Warming Potential documented in the Intergovernmental Panel on Climate Change AR5 report was used to calculate  $CO_2$ e for methane ( $CH_4$ ) and nitrous oxide ( $N_2O$ ).
- 7. Calculated using WRI GHG Protocol's location-based method.



# SOCIAL HIGHLIGHTS



16%

our goal in diverse supplier spend by 2026, representing Top Quartile among 100+ large companies<sup>1,2</sup>

- Diverse supplier spend is calculated as spend with diverse suppliers, defined as businesses that are greater than 50% owned and operated by an individual who is part of the traditionally underrepresented or underserved group, as certified by a nationally recognized certifying organization, divided by our total addressable spend.
- 2. Source: The Hackett Group, 2021 Supplier Diversity Study.

# ~\$10B

# invested in communications infrastructure in low-income areas<sup>3</sup>

3. Based on total capital invested in Crown Castle assets that are located within, or provide service coverage (entirely or partially) to, US Census blocks with 2021 median household income at or below \$50,000, which is the threshold to qualify for federal student aid.

### **Diverse Supplier Spend Goal Progress<sup>4</sup>**



4. Diverse supplier spend is calculated as spend with diverse suppliers, as defined above, divided by our total annual addressable spend.

# 2021 Workforce Snapshot<sup>4</sup>

Through our recruiting efforts, which include securing diverse hiring panels and conducting competency-based interviews, we continue to demonstrate progress toward our long-term commitment to increase our diverse workforce and create an inclusive community.

	Gender I	Diversity	Racial Diversity							
Job Categories	Female	Male	White	Hispanic/ Latinx	Asian	Black	Two + Races	Not Specified	Native <sup>6</sup> American	Total People of Color
Senior Leaders⁵	23%	77%	75%	6%	9%	6%	0%	4%	0%	<b>20%</b> ↑5%
Managers & Professionals	31%	69%	77%	8%	9%	4%	2%	2%	0.4%	<b>22%</b> ↑1%
Non-Management	33%	67%	72%	12%	5%	6%	3%	2%	0.7%	<b>27%</b> ↑2%
TOTAL	32%	68%	73%	11%	6%	5%	2%	2%	0.6%	<b>25%</b> ↑1%
New Hires	<b>32%</b> ↑1%	<b>68%</b> ↓√1%	<b>64%</b> ↓ 1%	<b>12%</b> No change	<b>9%</b> ↑2%	<b>8%</b> ↓√1%	<b>2%</b> No change	4% No change	<b>0.4%</b> No change	<b>31%</b> ↑1%

<sup>4.</sup> This data is derived from our <u>2021 EEO-1 Report</u>. The arrows depict an increase or decrease compared to 2020 data as of December 31, 2020. Percentages may not sum to 100% due to rounding.

<sup>5.</sup> Senior leaders include Executive Management Team (EMT), Senior Vice Presidents and Vice Presidents.

<sup>6.</sup> Native American includes American Indian, Alaskan Native, Native Hawaiian and Other Pacific Islander.

# SOCIAL HIGHLIGHTS

We believe that learning and development is a catalyst for growth and advancement. It not only allows employees to thrive professionally, but it also fosters innovation, fuels digital transformation and secures the long-term viability of our business.

31%

of manager or professional level employees are women, *up from* 26% prior year<sup>1</sup> 46%

of promotions were awarded to women, *up from 32%* prior year<sup>1</sup>

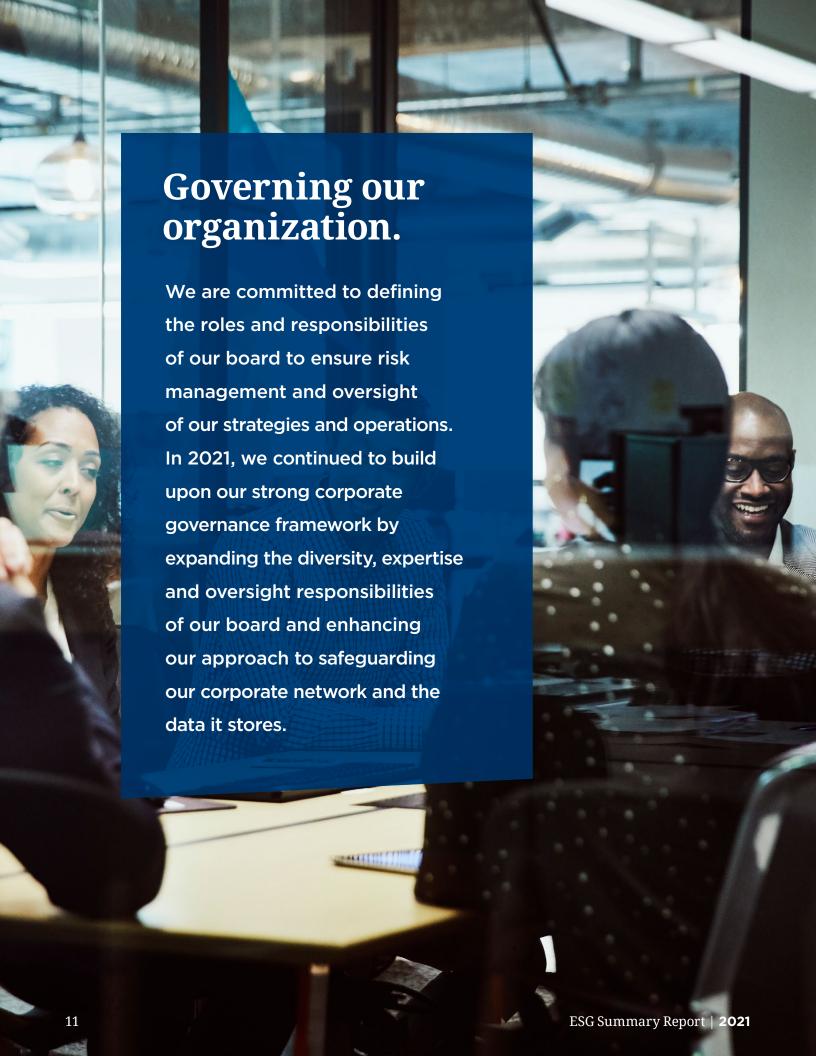
1. Percentages were calculated comparing data for full year 2021 versus 2020.

# **Employee Engagement Survey Highlights**

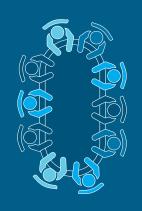
92% of employees participated in the survey



We built upon our longstanding B3 values to develop specific Inclusion & Diversity principles to guide our actions. Our senior leadership team actively participated in multi-day I&D workshops focused on strengthening our value-based culture. We are committed to building a more inclusive community at Crown Castle.



## **GOVERNANCE HIGHLIGHTS**



of our current board is comprised of women and/or persons of color¹

key areas of expertise across our board

new board members added since 2020

ESG oversight added to our renamed Nominating, **Environmental, Social and Governance Committee** 

1. Following our May 2022 shareholder meeting.

Our information security program is designed to raise awareness of cybersecurity threats and reinforce a culture of security-sensitive end users.

29,320

test phishing emails sent to employees

22,879

cybersecurity training modules completed

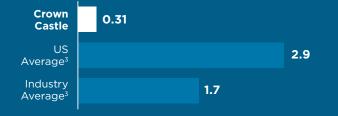
# Information Security Policy

adopted to reinforce our commitment to the confidentiality, integrity and availability of our information assets

24/7/365

expanded the operation of our Security **Operations Center to monitor and address** cyberthreats

#### 2021 Total Recordable Incident Rate (TRIR)2 well below average



- 2. Calculated as the number of US Occupational Safety and Health Administration (OSHA) Recordable Incidents per 200,000 hours/total hours worked.
- 3. The US average TRIR was obtained from the Bureau of Labor Statistics. The industry average is based on the telecommunications industry and was obtained from the Environmental, Health &Safety Communications Panel (EHSCP). Averages are for full year 2020 because 2021 data was not released prior to this report.

As a leading owner and operator of essential infrastructure, we are committed to fostering a safe work environment. Our safety policies, procedures and training courses are carefully designed to prevent injuries or damage stemming from our operations.

# **About this Report**



This report summarizes our Environmental, Social and Governance goals and progress for calendar year 2021. It is intended to provide highlights and to be utilized in combination with our indices linked below and our ESG website on CrownCastle.com.

#### **Indices**

Global Reporting Initiative (GRI) Index
Sustainability Accounting Standards Board (SASB) Index
Task Force of Climate-related Financial Disclosures (TCFD) Index

#### **Report Boundaries**

This report was published in July 2022 and, unless otherwise indicated or the context otherwise suggests, reflects our activities for calendar year 2021. This report provides qualitative and quantitative information on our approach to managing sustainability issues, and we intend to continue publishing our sustainability report annually.

In this report, the term "including," and any variation of such term, means "including without limitation." The use of the word "or" in this report is not exclusive. Unless this report indicates otherwise or the context otherwise requires, the terms "we," "our," "our company," "the company" or "us" refer to Crown Castle International Corp. and its subsidiaries. In addition, unless the context suggests otherwise, references to "US" are to the United States of America and Puerto Rico, collectively.

#### **Reporting Guidelines**

We prepared this report leveraging as guidance (1) the Task Force on Climate Related Financial Disclosures (TCFD) framework, (2) the Sustainability Accounting Standards Board (SASB) standards for Real Estate, Telecommunication Services and Engineering and Construction Services and (3) the revised Universal Global Reporting Initiative (GRI) Standards.

In 2020, we engaged with internal and external stakeholders and conducted a benchmarking of external information (or sustainability materiality assessment) to inform our sustainability priorities. The process and results of the sustainability materiality assessment are described in the <u>Materiality Assessment</u> included on our ESG website. The topics covered in this report were defined based on the results of the materiality assessment.

The terms "material" and "materiality" as used in the context of this report, including the ESG website and indices, and in our materiality assessment are different from such terms as used in the context of filings with the Securities and Exchange Commission (SEC). Issues deemed material for purposes of this report, the ESG website, the indices and the Materiality Assessment may not be considered material for SEC reporting purposes.

#### **Reporting Uncertainties**

Non-financial information contained in this report, including fuel and energy consumption and GHG emissions calculations, is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection by management of different but acceptable measurement techniques could result in materially different measurements. Many of the standards and metrics used in this report continue to evolve, and the precision of different measurement techniques may also vary. Calculations and statistics included in this report are in part dependent on the use of estimates and assumptions based on historical levels and projections and are therefore subject to change and should not be considered guarantees.

#### Disclaimer

This report contains forward-looking statements about our activities and expectations. Statements that are not historical facts are identified as forward-looking statements. In addition, words such as "estimate," "anticipate," "project," "plan," "intend," "believe," "expect," "potential," "predicted," "continue," "likely," "target," "seek," "goal," "will," "may," "plan," "aim," "should," and any variations of these words and similar expressions are intended to identify forward-looking statements.

Such forward-looking statements should, therefore, be considered in light of various risks, uncertainties and assumptions, including prevailing market conditions, risk factors described in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC and other factors. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those expected. Forward-looking statements in this report speak only as of the date made, and we do not undertake any obligations to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Our filings with the SEC are available through the SEC website at  $\underline{www.sec.gov}$  or through our investor relations website at  $\underline{investor.crowncastle.com}$ .

We use our investor relations website to disclose information about us that may be deemed to be material. We encourage investors, the media and others interested in us to visit our investor relations website from time to time to review up-to-date information or to sign up for email alerts to be notified when new or updated information is posted on the site.