

Assurance statement: AA1000

Trucost was engaged by AT&T to provide assurance of the environmental data contained in its 2019 CDP Response.

Intended users

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

Responsibilities of AT&T and assurance provider

The management of AT&T has sole responsibility for the preparation and content of its annual sustainability report and CDP Climate Change Response (hereafter, CDP). Trucost's statement represents its independent and balanced opinion on the content and accuracy of the information and environmental data held within.

Assurance standard

Trucost undertook the assurance in accordance with AA1000AS (2018) Type 2 moderate-level assurance, covering:

- ✓ Evaluation of adherence to the AA1000APS (2018) Principles of inclusivity, materiality, responsiveness and impact (the Principles)
- ✓ The reliability of specified environmental performance information (energy use, greenhouse gas emissions, and waste generated)

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

Scope and limitations

Trucost was engaged to assure the data and claims in AT&T's 2019 external reporting, encompassing the period of 1 January 2019 – 31 December 2019. Trucost was asked to assure reporting for specific KPIs. AT&T took an operational control approach.

Trucost verified the environmental impacts, as calculated by AT&T, within the table in the next column.

Methodology

Trucost's assurance activities included the following:

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

Findings, conclusions and recommendations

The Principles: See next pages.

Data reliability:

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

Assurance provider

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost's research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost did not provide any services to AT&T during 2019 that could conflict with the independence of this work. This is the fifth year that Trucost has assured AT&T's environmental data held within its annual sustainability report and response to CDP.

Trucost, part of S&P Global
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Licensed Assurance Provider
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Trucost
ESG Analysis
S&P Global

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SCOPE	SOURCE	UNIT	QUANTITY
GHG Scope 1	Natural gas	Metric tons CO _{2e}	83,671
	Propane/LPG		5,553
	#2 Fuel oil		1,562
	Diesel		7,911
	Gasoline		245
	Stationary generators		103,544
	Portable generators		6,038
	Flight operations		9,042
	Ground fleet		613,146
	Refrigerants		160,244
GHG Scope 2	Electrical Power – Location Based		5,998,535
	Electrical Power – Market Based		5,517,501
	Steam		14,076
	Chilled Water		2,511
GHG Scope 3	Waste Generated in Operations [Category 5]		34,267
	Business Travel – Air travel [Category 6]		132,962
	Business Travel – Car travel [Category 6]		21,580
	Business Travel – Rail travel [Category 6]		128
	Customer Product Electricity Use [Category 13]		3,705,329
Energy Use Scope 2	Purchased Electricity	MWh	11,432,566
	Modelled Electricity		328,107
	Natural Gas (consumed by fuel cells)		287,114
	LSRE (RECs)		1,992,232
	Solar (RECs)		1,071
	Solar (no RECs)		4,238
	Wind (RECs)		7,500
	Steam		MMBtu
Chilled Water		47,676	
Energy Use Scope 3	Consumer Product Electricity Use	MWh	10,109,650

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PRINCIPLE	COMMENTS
<p>Inclusivity: the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability</p>	<p>AT&T engages with a range of stakeholders on its sustainability efforts, including customers, employees, suppliers, governments, investors, industry associations, peers in the telecommunications space and NGOs. AT&T has numerous avenues available for stakeholders to voice any issues, including a robust supply chain engagement initiative. More than 25,000 stakeholders take part in their regular materiality assessment.</p>
<p>Materiality: determining the relevance and significance of an issue to an organization and its stakeholders</p>	<p>AT&T performs its materiality assessment every two to three years. The report includes a materiality matrix, an analysis of stakeholder groups and geographies, a detailed value chain map, and public reporting on the company's relationship to the SDGs. Backing the report is an online survey of more than 25,000 stakeholders in addition to a set of live interviews with select stakeholders.</p>
<p>Responsiveness: an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders</p>	<p>AT&T employs a range of tools to address considerations raised by stakeholders and its materiality analyses. For material issues, AT&T responds to all climate-related questions on CDP. AT&T continues a partnership with Argonne National Laboratory to establish a climate change analysis tool that allows AT&T to examine its operational and network infrastructure against climate change impacts across a 30-year time horizon. This new tool can help inform risk management decisions in a climate-changed world. Company commitments and targets are reviewed by all internal experts and fall under the purview of the sustainability team. AT&T has an approved Science Based Target in addition to several other public goals around energy, greenhouse gas emissions and fleet emissions reductions. Publically the company assesses its progress along these commitments in an annual report. Additionally, AT&T has taken a holistic approach to tackling climate change that includes tools to help mitigate the emissions of their customers.</p>
<p>Impact: An organization's approach to monitor, measure and be accountable for how its actions impact broader ecosystems</p>	<p>AT&T publishes an annual sustainability report that follows guidance aligned with the GHG Protocol's operational approach to reporting on impacts. Impact assessment is integrated into AT&T's processes at multiple levels, including with a Sustainability Governance Counsel and a committee with Board-level oversight. Additionally, sustainability-related training is part of AT&T's regular, core required trainings.</p>

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