

SASB team,

Please find attached AT&T's public comments to topics/metrics addressing four SASB industries which address AT&T's business today:

- Telecommunication Services
- Internet Media & Services
- Media & Entertainment Production & Distribution
- Advertising & Marketing

Please let me know if you have any questions.

Regards,

**Ben Kruse**

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**Sector:** Technology & Communications

**Industry:** Telecommunication Services

<b>Topic</b>	<b>Accounting/Activity Metric</b>	<b>Code</b>	<b>Feedback for SASB</b>
<b>Environmental Footprint of Operations</b>	Amount of energy consumed by: - cellular networks - fixed networks	TC0301-01	<i>A significant number of AT&amp;T network facilities are mixed use, and thus we do not have the capabilities to delineate energy usage between cellular and fixed networks. AT&amp;T also respectfully asks that SASB clarify why this energy consumption delineation is an important metric for investors.</i>
<b>Data Privacy</b>	Percentage of users whose customer information is collected for secondary purpose - percentage who have opted-in	TC0301-03	<i>AT&amp;T does not disclose this information, as it is competitively sensitive and we respectfully suggest that other potential respondents in the industry may feel similarly. In addition, the percentage of customers whose information is collected is not a consistent number over time and would be difficult to determine or report - even on an annual basis. Finally, opt-in for secondary purposes is too broad, as there are distinct opt-in's for different secondary purposes.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Data Privacy</b>	Amount of legal and regulatory fines and settlements associated with customer privacy	TC0301-04	<i>Disclosure of total fines could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor call center breaches or settlements. Additionally, some companies such as AT&amp;T have deep penetration over a broad, global footprint. Thus, total fines may seem higher compared to other companies and may be somewhat misleading.</i>
<b>Data Security</b>	Number of data security breaches - percentage involving customers' personally identifiable information	TC0301-06	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. Disclosure of total breaches could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor call center breaches. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring network and data security be considered as an acceptable response. If this metric is retained in the standards, AT&amp;T also respectfully requests that SASB clarify the definition of "data security breach", so that all like companies report similarly.</i>
<b>Managing Systemic Risks from Technology Disruption</b>	Average interruption: - frequency - duration	TC0301-09	<i>This type of information is often filed under proprietary cover and made available to the general public for viewing as a redacted version in federal websites; such as the Federal Registry, FCC EDOCS, FCC Report and Research sites. AT&amp;T is not able to provide this data publicly, as it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response. If this metric is retained in the standards, AT&amp;T also respectfully requests that SASB clarify the type of network in question (wireline, mobility, cable, satellite, etc.), to ensure that like companies report in a similar fashion.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Managing Systemic Risks from Technology Disruption</b>	Description of systems to provide unimpeded service during service interruptions	TC0301-10	<i>Specific description of systems and potential loss/probability of loss is not possible to disclose because it is competitively sensitive information. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response.</i>
<b>Competitive Behavior &amp; Open Internet</b>	Amount of legal and regulatory fines and settlements associated with anti-competitive practices	TC0301-11	<i>AT&amp;T does not publicly disclose information related to regulatory fines and settlements for a number of reasons, including that the total number alone can be very misleading without appropriate context, and because settlements should not be equated with an admission that the underlying claims were valid. Additionally, AT&amp;T respectfully requests that SASB clarify what is meant by the term "anti-competitive practices." The term can be construed narrowly (limited only to antitrust matters) or very broadly (potentially encompassing any allegation that conduct in a particular transaction was unfair) -- creating a risk that responses will vary widely depending upon the meaning applied by different potential respondents.</i>
<b>Competitive Behavior &amp; Open Internet</b>	Average actual sustained download speed of: - owned and commercially-associated content - non-associated content	TA03-14-01	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance, as well as treatment of various data types across the network, be considered as an acceptable response. If this metric is retained in the standards, AT&amp;T also respectfully requests that SASB clarify the type of network in question (wireline, mobility, cable, satellite, etc.), to ensure that like companies report in a similar fashion.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
Activity	Data center processing capacity - percentage outsourced		<i>This type of data is competitive in nature and would be filed under a proprietary cover and only made available to the general public in a redacted version. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response.</i>
Activity	Network traffic - percentage on cellular network - percentage on fixed network	TC0301-D	<i>AT&amp;T respectfully questions the value of this metric to investors. This type of information is often filed under proprietary cover and made available to the general public for viewing as a redacted version in federal websites; such as the Federal Registry, FCC EDOCS, FCC Report and Research sites. AT&amp;T is not able to provide this data publicly, as it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response.</i>
Activity	Network bandwidth capacity - percentage leased	TC0301-E	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response. If this metric is retained in the standards, AT&amp;T also respectfully requests that SASB clarify the type of network in question (wireline, mobility, cable, satellite, etc.), to ensure that like companies report in a similar fashion.</i>
Data Security	SASB proposes adding a <u>new</u> metric: "Percentage of operations, by revenue, independently certified to a suitable third-party cybersecurity management standard."	Potential Change	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring network security be considered as an acceptable response.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Data Security</b>	<p>SASB proposes revising provisional metric TC0301-06/TC0401-10:</p> <p>From:  “Number of data security breaches and percentage involving customers’ personally identifiable information”</p> <p>To:  “Number of data security breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected.”</p>	Potential Change	<p><i>While AT&amp;T does not object to the proposed change for this metric, we are unable to disclose the information requested because it is competitively sensitive. Disclosure of total breaches could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor call center breaches. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring network and data security be considered as an acceptable response. If this metric is retained in the standards, AT&amp;T also respectfully requests that SASB clarify the definition of “data security breach”, so that all like companies report similarly.</i></p>
<b>Competitive Behavior &amp; Open Internet</b>	<p>SASB proposes adding the following <u>new</u> metric addressing net neutrality in the newly combined Telecommunications Services industry:</p> <p>“Discussion of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices.”</p>	Potential Change	<p><i>AT&amp;T may be unable to disclose all requested topics in this section, because they may be competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly. If this section is retained in the standards, AT&amp;T also respectfully requests that the net neutrality portion be omitted, given the 12/14/17 FCC actions on the topic.</i></p>

**Sector:** Technology & Communications

**Industry:** Internet Media & Services

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Environmental Footprint of Hardware Infrastructure</b>	Total water withdrawn: - percentage recycled - percentage in regions with High or Extremely High Baseline Water Stress	TC0401-02	<i>Generally, supporting data for AT&amp;T water recycling is not currently available for reporting. The majority of water consumption in AT&amp;T facilities is used in cooling towers and is evaporated for cooling purposes, resulting in zero recycling opportunity.</i>
<b>Data Privacy, Advertising Standards, and Freedom of Expression</b>	Discussion of policies and practices relating to behavioral advertising and customer privacy	TC0401-04	<i>AT&amp;T respectfully suggests that SASB clarify whether this metric concerns first or third party advertising (or both).</i>
<b>Data Privacy, Advertising Standards, and Freedom of Expression</b>	Percentage of users whose customer information is collected for secondary purpose - percentage who have opted-in	TC0401-05	<i>AT&amp;T does not disclose this information, as it is competitively sensitive, and we respectfully suggest that other potential respondents in the industry may feel similarly. In addition, the percentage of customers whose information is collected is not a consistent number over time and would be difficult to determine or report - even on an annual basis. Finally, opt-in for secondary purposes is too broad, as there are distinct opt-in's for different secondary purposes.</i>
<b>Data Privacy, Advertising Standards, and Freedom of Expression</b>	Amount of legal and regulatory fines and settlements associated with customer privacy	TC0401-06	<i>Disclosure of total fines could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor call center breaches or settlements. Additionally, some companies such as AT&amp;T have deep penetration over a broad, global footprint -- so total fines may seem higher compared to other companies and may be somewhat misleading.</i>
<b>Data Security</b>	Number of data security breaches and percentage involving customers' personally identifiable information	TC0401-10	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. Disclosure of total breaches could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor call center breaches. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring network and data security be considered as an acceptable response. If this metric is retained in the standards, AT&amp;T also respectfully requests that SASB clarify the definition of "data security breach", so that all like companies report similarly.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Employee Recruitment, Inclusion, and Performance</b>	Percentage of employees that are foreign nationals	TC0401-12	<i>AT&amp;T has not previously disclosed this metric publicly, and we respectfully ask SASB for clarification as to why this metric is important for investors.</i>
<b>Employee Recruitment, Inclusion, and Performance</b>	Employee engagement as a percentage	TC0401-13	<i>AT&amp;T respectfully asks SASB to clarify the definition of or methodology for calculation "employee engagement", to ensure all potential respondents report similarly. Allowing variances in methodology makes direct comparison among like companies difficult or impossible.</i>
<b>Employee Recruitment, Inclusion, and Performance</b>	Percentage of gender and racial/ethnic group representation for: - executives - all others	TC0401-14	<i>AT&amp;T respectfully asks that SASB clarify the definition of "executives", to ensure all like companies report similarly.</i>
<b>Intellectual Property Protection &amp; Competitive Behavior</b>	Number of patent litigation cases: - number successful - number as patent holders	TC0401-15	<i>AT&amp;T has not and does not publicly disclose information regarding patent litigations. Disclosure of much of the requested information could reveal proprietary, attorney work product, and/or privileged information. In addition, disclosure of such information could place the company at a competitive disadvantage, and we respectfully suggest that other potential respondents in the industry may feel similarly.</i>
<b>Intellectual Property Protection &amp; Competitive Behavior</b>	Amount of legal and regulatory fines and settlements associated with anti-competitive practices	TC0401-16	<i>AT&amp;T does not publicly disclose information related to regulatory fines and settlements for a number of reasons, including that the total number alone can be very misleading without appropriate context, and because settlements should not be equated with an admission that the underlying claims were valid. Additionally, AT&amp;T respectfully requests that SASB clarify what is meant by the term "anti-competitive practices." The term can be construed narrowly (limited only to antitrust matters) or very broadly (potentially encompassing any allegation that conduct in a particular transaction was unfair) -- creating a risk that responses will vary widely depending upon the meaning applied by different potential respondents.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
Activity	Registrant-defined measure of customer activity	TC0401-A	<i>AT&amp;T respectfully asks SASB to pre-define the specific, desired definition of or methodology for calculating "customer activity", to ensure all potential respondents report similarly. Allowing variances in definition or methodology makes direct comparison among like companies difficult or impossible for this metric.</i>
Activity	Data processing capacity, percentage outsourced	TC0401-B	<i>This type of data is competitive in nature and would be filed under a proprietary cover and only made available to the general public in a redacted version. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response.</i>
Activity	Petabytes of data storage, percentage outsourced	TC0401-C	<i>This type of data is competitive in nature and would be filed under a proprietary cover and only made available to the general public in a redacted version. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly, and that a discussion of the management approach to ensuring data processing and network performance be considered as an acceptable response.</i>

**Sector:** Services

**Industry:** Media & Entertainment

Topic	Accounting/Activity Metric	Code	Feedback for SASB
Journalistic Integrity & Sponsorship Identification	Amount of legal and regulatory fines and settlements associated with libel or slander	SV0302-01	<i>Disclosure of total fines could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor actions or statements. Additionally, some companies such as AT&amp;T have deep penetration over a broad, global footprint. Thus, total fines may seem higher compared to other companies and may be somewhat misleading.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Journalistic Integrity &amp; Sponsorship Identification</b>	Revenue from embedded advertising	SV0302-03	<i>AT&amp;T may be unable to disclose this information because it may be difficult to effectively delineate what SASB qualifies as "embedded advertising" versus other types of advertising. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly.</i>
<b>Media Pluralism</b>	Percentage of gender and racial/ethnic group representation for: - executives - professionals - all others	SV0302-05	<i>AT&amp;T respectfully asks that SASB clarify the definition of "executives" and "professionals", to ensure all like companies report similarly.</i>
<b>Intellectual Property Protection &amp; Media Piracy</b>	Number of copyright infringement cases, number successful, and number as copyright owner	SV0302-07	<i>AT&amp;T does not publicly disclose information regarding copyright litigations. Disclosure of much of the requested information could reveal proprietary, attorney work product, and/or privileged information. In addition, disclosure of such information could place the company at a competitive disadvantage, and we respectfully suggest that other potential respondents in the industry may feel similarly.</i>
<b>Activity</b>	Total number of media productions and publications	SV0302-B	<i>AT&amp;T respectfully asks that SASB clarify whether this metric refers only to content produced directly by the respondent company, or to all content produced and distributed?</i>

**Sector:** Services

**Industry:** Advertising & Marketing

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Advertising Integrity</b>	Amount of legal and regulatory fines and settlements associated with false, deceptive, or unfair advertising	SV0301-01	<i>Disclosure of total fines could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor actions or settlements. Additionally, some companies such as AT&amp;T have a broad, global footprint as a first and third party advertiser. Thus, total fines may seem higher compared to other companies and may be somewhat misleading.</i>
<b>Advertising Integrity</b>	<p>SASB currently proposes revising provisional metric SV0301-03:</p> <p>From:  "Percentage of campaigns that promote products or services deemed socially harmful and subject to restrictions or taxes on use"</p> <p>To:  "Percentage of campaigns that promote tobacco or alcohol products."</p>	SV0301-03	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly.</i>
<b>Data Privacy</b>	Discussion of policies and practices relating to behavioral advertising and consumer privacy	SV0301-04	<i>AT&amp;T respectfully suggests that SASB clarify whether this metric concerns first or third party advertising (or both).</i>
<b>Data Privacy</b>	Percentage of online advertising impressions that are targeted to custom audiences	SV0301-05	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
<b>Data Privacy</b>	Amount of legal and regulatory fines and settlements associated with customer privacy	SV0301-06	<i>Disclosure of total fines could be misleading, as some actions may not involve a company's direct fault (outside of a liability context), such as vendor call center breaches or settlements. Additionally, some companies such as AT&amp;T have deep penetration over a broad, global footprint. Thus, total fines may seem higher compared to other companies and may be somewhat misleading.</i>
<b>Workforce Diversity &amp; Inclusion</b>	Percentage of gender and racial/ethnic group representation for: - executives - professionals - all others	SV0301-07	<i>AT&amp;T's annual diversity &amp; inclusion report provides aggregate employee data, but we have never previously disclosed this data for defined employee levels/groups. We respectfully ask that SASB clarify the definition of "executives" and "professionals", to ensure all companies report similarly.</i>
<b>Activity</b>	Median reach of advertisements and marketing campaigns	SV0301-A	<i>This number can vary depending on media type. AT&amp;T is unable to disclose this information because it is competitively sensitive and may demonstrate our approach to market.. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly.</i>
<b>Activity</b>	Number of exposures to advertisements or marketing campaigns	SV0301-B	<i>AT&amp;T is unable to disclose this information because it is competitively sensitive and may demonstrate our approach to market. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly.</i>

Topic	Accounting/Activity Metric	Code	Feedback for SASB
Activity	Median frequency of exposures	SV0301-C	<p><i>AT&amp;T respectfully asks that SASB clarify whether this metric refers to median frequency of exposures to an individual, to a household, or otherwise. Frequency is a critical element to marketing campaigns, and varies widely across mediums. AT&amp;T is unable to disclose this information because it is competitively sensitive and may demonstrate our approach to market. AT&amp;T respectfully suggests that other potential respondents in the industry may feel similarly.</i></p>