Industry & Government Problem Solving

Materiality Assessment Topics: Products that enable social and environmental benefit; Relationship with government

Issue Summary

Environmental and social sustainability challenges are complex, and working with industry peers and governmental interests in appropriate ways to address these issues can be a valuable tool.

Our Position

We see the benefit of combining resources and coordinating efforts with our industry peers and governmental interests in appropriate ways to address persistent social and environmental challenges where there is a good match between our expertise and talent and the interests of our customers and shareholders.

Our Action

We work with industries, governments, nonprofits and academia on goals such as upgrading to a more energy-efficiency power supply and achieving sustainability through information communications technology solutions. See our Stakeholder Engagement Policy.

WORKING TOGETHER FOR ENERGY-EFFICIENCY SOLUTIONS

Updating the Country's Power Supply

Smart grid technology has the potential to cut domestic carbon emissions from generating electricity by as much as 14 percent by 2020, saving $15 billion to $35 billion in energy and fuel costs.[1] This decrease will reduce the country's reliance on fossil fuels, including imported oil, contributing to our energy independence. Smart grid technologies hold the potential to help integrate renewable energy sources like wind and solar power into our electricity supply mix. They will also help to facilitate the widespread adoption of electric vehicles. Learn more about the benefits of smart grid.

In order for smart grid technologies to achieve their full potential, consumers must be confident that their energy usage data is secure and available only to those entities with which they have chosen to share it. In 2012, we worked

[1] Smart2020: United States Report Addendum, Global e-Sustainability Initiative, 2008.

with a variety of smart grid stakeholders to start up a voluntary privacy seal program. The program gathers industry best practices to help ensure that consumers enjoy effective, common-sense privacy protections when sharing their energy usage data with the service providers that use smart grid data to help consumers operate their homes more efficiently. We also engaged with several different state public utility commissions on issues relating to the privacy and security of consumer smart grid data.

The Green Grid

We continued our work with a global consortium dedicated to advancing energy efficiency in data centers and business computing ecosystems. As a contributing leader, we serve on the End User Advisory Council and several technical and liaison subcommittees and supported the development and investigation of the Sustainable Site Selection Tools and Papers. The End User Advisory Council is chartered to:

- Serve as an advisory body to The Green Grid's board of directors by providing input and guidance on the general direction of the consortium's strategies
- Actively participate in The Green Grid's technical committee activities
- Help guide and shape the desired outcome of published materials, processes and recommendations from The Green Grid as one unified voice of the end-user community
- Drive greater awareness of The Green Grid within the broad community of data center end users

Alliance for Telecommunication Industry Solutions (ATIS)

We continued our work as a member and chairman of the board of directors of ATIS, the North American telecommunications standards development organization. We initiated and now chair the Telecommunications Energy Efficiency (TEE) committee, which developed a methodology for measuring and reporting the energy efficiency of telecommunications equipment. This methodology is being applied to new energy efficiency measurement standards by equipment types. The TEE has developed and published individual standards for servers and transport, router and Ethernet switch products, power plant rectifiers and a technical report for measuring facility energy efficiency. In 2011, the TEE published an energy efficiency standard for the measurement and reporting of Radio Base Station Metrics. The American National Standards Institute has approved these standards and AT&T has incorporated the energy efficiency reporting requirements in our equipment standards, "Network Equipment Power, Grounding, Environmental and Physical Design Requirements."

Better Plants, Better Buildings Program (formerly called the Save Energy Now LEADER® initiative)

In 2009, we were among more than 30 companies to join the U.S. Department of Energy's Save Energy Now LEADER initiative (now called Better Plants, Better Buildings Program). The initiative is an ambitious national public-private plan aimed at driving significant energy intensity and carbon emission reductions across the U.S. industrial sector. Program partners pledge to reduce their energy intensity by 25 percent or more by 2019. Following our efforts in 2012, we have already reduced the electricity consumption of our company relative to data growth on our network by 57 percent compared to our 2008 baseline. Learn about the progress AT&T is making on its energy intensity reductions.

PURSUING SUSTAINABILITY THROUGH ICT SOLUTIONS

AT&T Sustainability Advisory Council

In 2009, AT&T established the AT&T Business Sustainability Advisory Council to better quantify the environmental benefits of our products and services. The council's defined mission includes a commitment to demonstrating the power of information communications and technology (ICT) in minimizing environmental impact and developing credible measurement methods for communicating the environmental impact of various solutions that aid in reducing greenhouse gas emissions.

Reducing the Need for Business Travel

Technology has changed the way we communicate and collaborate, yet the fundamental power of face-to-face connections remains a constant. AT&T Telepresence Solution® lets brings people together in a live video conference, whether they're across town or around the world. Telepresence continues to see customer acceptance and continued growth from 1,281 endpoints in 2009 to more than 5,000 at the end of 2012. Our users held over 21 million minutes of meetings on telepresence systems in 2012. And the impact is not limited to customers within the United States. More than one-third of the endpoints connected to the AT&T Business Exchange are outside the United States, and we now support over 75 countries with the expanded offerings.

To promote the global ability to reduce travel though telepresence, we reached inter-provider agreements with other service providers. This enables immersive teleconferences with customers of BT and, most recently, Orange Business Services.

We also practice what we preach and extensively use telepresence as a tool to improve our business efficiency while reducing travel. We grew internal deployment to more than 240 telepresence sites spanning more than 20 countries. In 2012, our company collectively logged more than 100,000 telepresence meeting hours. Over that same period, we realized more than **$19 million** in travel dollars saved and more than **11,600 metric tons** of CO_2 emissions averted.

Global e-Sustainability Initiative (GeSI)

We actively participate in GeSI, an effort to foster open cooperation across international boundaries and promote technologies that foster sustainable development. GeSI brings together leading ICT companies — including telecommunications service providers and manufacturers as well as industry associations — and non-governmental organizations (NGOs) committed to achieving sustainability objectives through innovative technology.

Through the GeSI organization, AT&T is represented in projects and activities centered in GeSI's three primary focus areas. Those focus areas are Climate Change (i.e., energy efficiency, SMART 2020, ICT KPIs), Supply Chain (i.e., conflict minerals), and Human Rights.

In 2012, AT&T helped support the *SMARTer 2020* study. The study was conducted by the Boston Consulting Group on behalf of GeSI. The report showed that the information and ICT industry can enable a low-carbon society and help respond to the climate change challenge by 2020. It demonstrated that the ICT industry has the potential to save **9.1 gigatons carbon dioxide** ($GtCO_2e$) by 2020, which equates to a savings amount of over **$1.9 trillion** in gross energy and fuel by 2020.

Digital Energy and Sustainability Solutions Campaign (DESSC)

As a member of DESSC — a coalition of technology companies and environmental NGOs working to educate policymakers about the role of ICT in the shift to a low-carbon economy — we're collaborating on public policies that encourage government, businesses, utility companies and communities to use ICT to address energy challenges. Our ultimate goal is to use technology to improve energy efficiency while decreasing GHG emissions — all while promoting a strong economy.

DESSC members include Dell, Hewlett-Packard, Infineon, Intel and Texas Instruments. DESSC also works with organizations such as The Climate Group, the Center for Climate and Energy Solutions and the Alliance to Save Energy.

AT&T Consulting Solutions

In addition to our technology products, AT&T Consulting Solutions provides a broad spectrum of services to business, federal and GEM (Government, Education and Medical) customers. These services focus on planning, architecting and integrating complex technologies, helping customers better leverage technology in their business operations.

We bring expertise in developing solutions for many of our largest clients in the areas of advanced infrastructure, convergence and contact centers, data centers, security and unified communications and collaboration. We also bring expertise in transforming computing infrastructure to a “world class” highly effective environment through our IT Service Management practice. This can lead to reduced operating costs, use of less energy and water, the production of less waste and reduced carbon emissions.

Find out more about AT&T Consulting Solutions.