



AT&T

AT&T Global Network Services Australia Pty Limited

Modern Slavery Act Statement 2020

This Modern Slavery Statement (“**Statement**”) is made on behalf of AT&T Global Network Services Australia Pty Limited (ABN 72 087 916 701) (“**AT&T Australia**”) pursuant to the Australian *Modern Slavery Act 2018* (Cth) (“**Act**”) and demonstrates its efforts to comply with and strengthen the anti-modern slavery policies adopted in its operations and supply chain.

Where in this statement, we refer to “**AT&T**”, “**we**” or “**our**” is a reference to the AT&T Group of companies, of which AT&T Australia is a part. AT&T Australia does not have any subsidiaries.

This Statement sets out the actions taken by AT&T Australia to address modern slavery risks in our business operations and supply chain for the financial year ended 31 December 2020 (“**Reporting Period**”).

This Statement was approved by the board of directors of AT&T Australia and signed on the board of directors’ behalf by:



Dominic Vincent DeFina
Director, AT&T Global Network Services Australia Pty Limited
June 2021

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Introduction

AT&T is the largest communications group in the world. As a global leader in the telecommunications and media industry, AT&T offers a wide range of innovative services, including local, long-distance and wireless mobile telephony services, software driven network services, fiber and wireless broadband internet, and media and entertainment content distributed through cable, satellite and software driven streaming platforms.

At AT&T, our purpose is to create connections – with each other, with what people and businesses need to thrive every day and with the stories and experiences that matter.

AT&T has a longstanding commitment to human rights. In keeping with this commitment, we seek to operate with transparency, engage with stakeholders, and promote responsiveness and accountability. In complying with laws and regulations that relate to our business, we seek to honor the principles of internationally recognized human rights instruments.

We are committed to working with governments, industry groups, customers, and civil society to promote human rights in areas associated with our operations. We also believe that the challenges posed by modern slavery need society-wide conversations, so we place importance on engaging with stakeholders to explain our approach, share best practices, and learn from our peers.



In 2019, AT&T became the first U.S. based telecommunications service provider to become a signatory of the United Nations Global Compact (UNGC) and commit to its voluntary framework of principles related to human rights and environmental sustainability. We publish an annual Communication on Progress, detailing our managerial approach to the UNGC focus areas.



The WePROTECT Global Alliance is an international movement dedicated to national and global action to end the sexual exploitation of children online.



JAC is an association of telecom operators aiming to verify, assess and develop sustainability implementation across the manufacturing centers of important multinational suppliers of the Information Communication Technology (ICT) industry.

JAC members collaborate in engaging their networks of trading partners to promote transparency and demonstrate that the industry can put aside its differences to raise supply chain sustainability and sustainability standards.



AT&T is a member of BSR's Human Rights Working Group (HRWG). The HRWG was created to develop a safe space for a cross-sector group of companies to openly share best practices, challenges, questions, and experiences.

Since 2012, AT&T has participated in the Global Enabling Sustainability Initiative's (GeSI) Human Rights Working Group, which is pursuing a practical means of implementing the UN Guiding Principles on Business and Human Rights across the ICT sector, which includes internet providers, telecoms and manufacturers. The working group is also coordinating GeSI's involvement in the European Commission's project to develop human rights guidance for the ICT sector.

AT&T also collaborates with other tech and telecom companies to jointly leverage our technology in efforts to prevent human trafficking and support survivors.



Description of our Structure, Operations and Supply Chain

AT&T Australia is a wholly owned subsidiary of AT&T Inc., a US company. AT&T Australia is headquartered in Sydney and offers telecom networks and information technology solutions and services to its customers. Its registered office is at Level 6, 141 Walker Street, North Sydney, NSW 2060.

As at the end of the Reporting Period, AT&T Australia employed approximately 250 employees, who perform a broad spectrum of roles related to Sales & Marketing, Project Management, Service Management, Network and Technology Solutions, Human Resources and Finance.

AT&T Australia has offices in Sydney and Melbourne; and its network assets are present in every major city across the country, with many engagements in multiple industry verticals. Our capabilities in Australia span Data Networks, Cloud, Hosting, Internet of Things, Security, Unified Communications, Applications as well as Service Management. AT&T provides local account management, innovative network solutions and operational support to both Australian headquartered organizations as well as to Australian branches of global customers.

Our solutions continue to evolve to meet the changing business and operational needs of our customers. As more enterprises seek to improve their flexibility and control costs, we are developing solutions that help them evolve and enhance their network, including the broad trend in the industry to move data and applications to the cloud.

AT&T Australia has business relationships with suppliers from within Australia and overseas. AT&T Australia's supply chain comprises the following broad categories:

1. **Technology:** local and international telecom carriers for network services and partnerships, data center and cloud services providers, original equipment manufacturers (OEM) of hardware, software companies, and professional services partners for project management and other technical installation and maintenance services
2. **Resellers and Distributors:** vendors of OEM hardware and software solutions
3. **Real Estate and Utilities:** Real estate management and service provider companies, real estate agents, property landlords, utility companies providing power, water, and telecom services
4. **Logistics:** logistics, shipping and freight forwarding companies
5. **Hospitality:** local catering services through restaurants and cafés
6. **Consultancy and other Professional Services:** financial, banking, audit, legal, advertising and marketing, human resource staffing and augmentation, insurance services partners.

Risks of modern slavery in our Operations and Supply Chains

AT&T Australia recognizes that like most large tech companies with complex supply chains, there is some risks of modern slavery in our operations and supply chains. AT&T's own employment policies and procedures are designed to ensure that staff are remunerated fairly and are working of their own free will, with the right to work in the territory in which they are employed. We maintain processes for reporting and resolution of personnel concerns.

The dominant spend for AT&T Australia involves procurement of information technology and communications hardware, which gets largely manufactured in countries where local laws may not exist or are inadequate to protect workers and employees from forced labor or human trafficking risks. Modern electronics also contains various minerals. While AT&T never procures minerals from mines or refiners, such places represent very high level of human rights risks for our supplier manufacturers, right at the beginning of the electronics supply chain.

Other areas in our supply chain that other large companies report as having some potential risk of modern slavery include janitorial, security and logistics services, as well as procurement of marketing material.

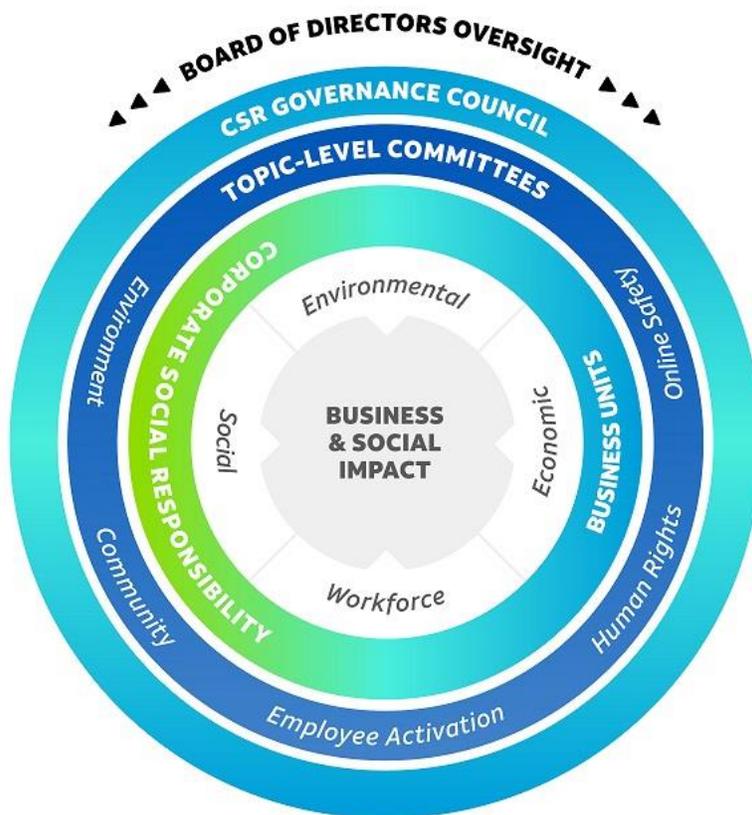
Even though AT&T holds its suppliers to high levels of compliance and transparency, some risks may not come to AT&T's attention because suppliers may be unknowingly using conflict minerals or recruiting foreign or domestic migrant workers who can potentially be subject to conditions that may contribute to forced labour, given the lack of legal protections in the countries they work in, or move from.

While we recognize that all business entities are exposed to some degree of risk in their supply chains, a survey of our suppliers did not identify specific operations and/or actions in our supply chains that supports an assessment that our suppliers cause, contribute, facilitate or incentivize modern slavery.

Corporate Policies and Governance

The most important commitment we can make to our customers, our shareholders and each other is living up to the high standards of honesty, integrity, and respect.

AT&T, including AT&T Australia, is committed to operating with integrity and ethics – and with an emphasis on corporate citizenship and sustainability.



Our Corporate Social Responsibility (CSR) Governance Council is led by our Chief Sustainability Officer and comprises senior executives representing business areas linked to CSR topics deemed most material by our stakeholders, including human rights.

Our commitment to CSR is embedded in every company level, and oversight rests with the Public Policy and Corporate Reputation Committee of the Board of Directors of AT&T Inc.

Suppliers are a key part of our business and therefore must be a critical part of our approach to citizenship and sustainability.

We believe it is important to understand more about the social, economic, and environmental performance of our suppliers, and expect our suppliers to share our commitment to citizenship and

sustainability. We outline our expectations in our [Principles of Conduct for Suppliers](#), which cover topics including sustainable business practices, diversity, conflict minerals, ethics, and human and labor rights.

We contractually require our suppliers (“**Suppliers**”) to comply with all applicable laws and regulations, both domestic and foreign.¹ We also require our Suppliers to impose similar requirements on their own suppliers. If our Supplier has a corporate citizenship, sustainability, and human rights (“**Citizenship & Sustainability**”) program, we contractually require it to be no less stringent than the Principles of Conduct and the [AT&T Human Rights in Communication Policy](#) (“**AT&T Citizenship & Sustainability Policies**”). If our Supplier does not have a Citizenship & Sustainability program, or its program does not address all areas of AT&T Citizenship & Sustainability Policies, we contractually require our Supplier to conduct business in a manner consistent with those policies.

Finally, the [AT&T Code of Business Conduct](#) (“**Code**”) puts our values into action and details our commitment to ethics, diversity, privacy, the environment, and our communities. The Code provides that we strive to do business with ethical suppliers. That includes seeking suppliers who share our commitments to ethical and sustainable business practices, human rights (including labor rights), and diversity.

The Code defines the standard of ethical behavior that employees are expected to follow. Encouraging honest and ethical conduct, the Code covers a wide range of topics related to ethics and compliance, including diversity and non-discrimination, conflicts of interest, customer, and employee data privacy and our commitment to the environment. The Code is a key resource and practical tool, providing guidance to each employee about the attitudes to adopt in relationships within, and outside, the company.

The Code is available on external websites and company intranets and is accessible on many employee mobile devices. Employees also have access to the Code in more than 20 languages. We also update the Code regularly as part of our ongoing effort to maintain its effectiveness and provide clear direction and resources on relevant topics.

AT&T has adopted core values in respect of Corporate Governance. They are as follows:

Human Rights



AT&T expects suppliers to treat all employees with respect and dignity. The use of corporal punishment, threats of violence, physical abuse or other forms of physical coercion, harassment, or intimidation are not tolerated. Suppliers’ employment, wage and benefits practices cannot be based on color, race, caste, religion, age, maturity, nationality, social or ethnic origin, status, sexual orientation, gender, gender identity or expression, marital status, pregnancy, political affiliation, union membership, or disability. We also expect Suppliers to work toward having a diverse work force.

¹ This excludes minor transactions paid by way of credit card, which do not need a Purchase Order.

Our approach to human rights includes the following:

Human Rights in the Supply Chain



AT&T is committed to conducting business with integrity and ethics, with an emphasis on environmental, social, and corporate governance. As part of our business, suppliers are expected to follow the same environmental, social and governance standards we expect from our own employees. We regularly train our AT&T sourcing managers on the principles of sustainability and diversity, which include human rights standards. We have implemented sustainability-focused contract clauses that specifically highlight our relevant policies (such as our codes of conduct and the [AT&T Human Rights Policy](#)) and obligate suppliers to adhere to programs in a manner consistent with these policies.

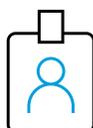
Conflict Minerals



AT&T is not a manufacturer, but we are concerned with the use of conflict minerals (which can be extracted at many different locations around the world, including the Democratic Republic of the Congo). We expect the products that we purchase from suppliers and manufacturers will not contain conflict minerals that directly or indirectly finance or benefit armed groups. We also expect our suppliers to share this objective and act to conform.

AT&T reserves the right to suspend or terminate suppliers who fail to commit to this expectation. Our Principles of Conduct for Suppliers also confirm our expectations that the products we sell will not contain conflict minerals that directly or indirectly finance or benefit armed groups. Where we review suppliers that utilize conflict minerals (regardless of their origin), we consider their sustainability efforts based on survey responses that include questions about their human rights practices. For more information on human rights in the supply chain, please visit our [Responsible Supply Chain](#) issue brief.

Labour Practices



Our [Principles of Conduct for Suppliers](#) states that we do not permit suppliers to use involuntary labour, like child labour, prison labour, debt bondage or indentured or forced labour. No person employed by a supplier may be below the minimum legal age for employment. Contractually, suppliers are required to comply with all applicable labour, wage and hour laws, and regulations, including, but not limited to, those relating to minimum wage, overtime, piece rates and other elements of compensation, and legally mandated benefits. Suppliers' employees should understand their employment conditions including payment terms and benefits.

Responsible Supply Chain

Our supply chain management strategy includes incorporating Citizenship and Sustainability as well as Supplier Diversity clauses into agreements and requests for proposal (RFPs), training sourcing managers on the principles of sustainability and diversity and providing updates to sourcing managers on supplier sustainability and diversity performance. We strive to ensure conformance with the AT&T Principles of Conduct for Suppliers ("**Supplier Principles**") using the following approaches:

- The Supplier Principles are posted on the AT&T Supplier Portal and are publicly accessible to all AT&T suppliers as well as any potential future suppliers. Our Supplier Principles and management systems are also applicable to non-Tier 1 suppliers.
- We conduct Strategic Supplier Sustainability Assessments and corporate social responsibility (CSR) audits and assessments. Our CSR audit and assessment program are conducted through our membership in the Joint Audit Cooperation (JAC) and applies to Tier 1, 2 and 3 suppliers and include human rights issues including labour rights.

The results of these initiatives are published in our Responsible Supply Chain issue brief.

Supplier Sustainability Principles



We outline our expectations for suppliers on a variety of issues in our Supplier Principles. The Supplier Principles encompass all environmental, social and governance (ESG) considerations, including the following:

- Sustainable Business Practices
- Environment, Health and Safety
- Supplier Diversity
- Ethics
- Freedom of Association
- Conflict Minerals
- Labour Practices
- Human Rights
- Circular Economy
- Conflicts of Interest
- Company Property and Resources
- Confidential Information and Privacy

We also expect suppliers to hold their subcontractors to the Supplier Principles and we require our suppliers and their subcontractors to comply with all applicable laws and regulations, both domestic and foreign. If a supplier has questions about the Supplier Principles, senior sourcing managers may engage the AT&T Supply Chain Sustainability Office to consult with the supplier.

AT&T expects suppliers to demonstrate robust environmental, health and safety (EH&S) policies and practices. Suppliers should also provide a safe and healthy workplace that meets international and national standards, laws, rules and regulations, and provide appropriate health and safety information

and training to their employees. We expect suppliers to minimize the impact of emergency events by proactively developing business continuity plans and response procedures.

We require suppliers to verify that they follow the Supplier Principles through a supplier self-attestation process. To ensure compliance with the Supplier Principles, we survey a subset of the suppliers based on their risk level, which is determined by reviewing their response to a high-risk activities questionnaire completed by our sourcing managers in cooperation with the respective AT&T business unit(s). The suppliers' risk levels also determine the frequency with which we conduct the surveys.

Please refer to the [Supplier Principles](#) for the latest information on these expectations.

Risk Assessment, Mitigation and Due Diligence

Corporate Social Responsibility (CSR) Audits & Assessments

Through our JAC membership, CSR audits are conducted by recognized, independent third-party auditors at suppliers' manufacturing facilities using a common audit framework. Member companies share audit results of suppliers, which promotes continuous improvement while reducing supplier audit fatigue. Due to the COVID-19 pandemic, last year AT&T and other JAC members were not able to audit as many facilities as in previous years. In 2020, JAC audited 76 factory locations, including 2 AT&T-led third-party audits and Mobile Worker Surveys of AT&T suppliers' factory locations, and conducted human rights reviews for more than 128,590 individuals. These entities were direct suppliers to other entities within AT&T, rather than AT&T Australia.

The JAC audit framework includes the following:

- Facility evaluation of production areas, office areas, storage facilities, distribution centers and dormitories.
- Management interviews of production, EH&S, quality, human resources and payroll manager(s).
- Confidential worker interviews of permanent, temporary and subcontracted labor – including workers of both genders, new workers and workers from various departments and shifts.
- Review of relevant company documents necessary to understand whether the supplier is conforming to common CSR principles and standards. This may include personnel records, proof-of-age documentation, timesheets, payroll records, environmental permits, emergency response plans, health and safety training documentation and certifications.

The 10 main areas of focus, all of which are addressed during the audits are:

1. Child labor
2. Forced/bonded labor
3. Health and safety
4. Freedom of association
5. Discrimination
6. Disciplinary practices
7. Working hours
8. Wages and compensation
9. Environment
10. Business ethics

If we become aware of suppliers at risk of non-compliance with social standards, we engage through JAC with on-site CSR audits and corrective action plans. In 2020, JAC identified 665 corrective actions and closed 92% of all identified corrective actions – including 13% rated as unacceptable, 59% rated as critical and 28% flagged for non-compliance. The two AT&T-led audits required no corrective action of the suppliers.

Supply Chain Due Diligence



The AT&T supplier due diligence process focuses on vetting suppliers prior to contract execution and thereafter monitoring. This process involves the use of appropriate manual, online and subscription resources to assist in assessing and monitoring our suppliers for indications of financial, security, human rights and other risks. During our initial engagement process, suppliers complete an onboarding questionnaire. Based on their responses and the presence of any high-risk indicators, applicable risk mitigation, such as contract language and other controls, are deployed. Business and risk-specific compliance monitoring is also performed, as appropriate.

We also have a screening process for restricted parties that identifies potential sustainability risks in the supply chain. This program screens customers, suppliers and other trading partners against more than 600 restricted-party lists from governments worldwide. Additionally, our procurement systems and contracting processes include the use of a high-risk activities questionnaire that identifies which contract clauses are required to mitigate high-risk engagements.

Australian Supplier Modern Slavery Survey process

AT&T Australia administers an annual self-assessment survey for its Australia-specific suppliers (as opposed to suppliers of the global group). The survey is sent electronically to the primary business contact of the supplier entity for completion. The response to the survey is a self-declaration of the suppliers and assists AT&T Australia in better understanding the modern slavery risks in our supply chain. Through this survey, we expect our suppliers (and in turn their own supply chain) to be aware of the standards that AT&T Australia expects of them to respect human rights and be aware of modern slavery risks in their business operations and supply chains. This is in addition to the expectations we have already outlined in our Suppliers Principles of Conduct.

In 2020, the survey was sent to 130 suppliers and AT&T had a response rate of over 85%. No instances of modern slavery were identified via this process.

Looking Forward

AT&T is proud of the progress it has made to further the cause of human rights throughout its business, on the actions taken to prevent and address modern slavery risks, and to effectively measure the progress of its commitments.

We will continue to strengthen our supply chain lifecycle through company-wide efforts to address risks posed by modern slavery.



Our suppliers are expected to meet their contractual obligations. We will continue to monitor our suppliers and target our efforts based on the level of risk each supplier presents. We work with our suppliers to assess contract compliance and require corrective action plans for non-compliance.



2025 TARGET: Help establish clear, agreed-upon industry sustainability metrics to measure the environmental and social impact of technology supply chains.

PROGRESS: To evaluate our suppliers on social and environmental criteria, we work with multiple industry organizations, including the following organizations: JAC, TIA-QuEST Forum, CDP, Sustainable Purchasing Leadership Council (SPLC).

Consultation

AT&T Australia does not have any owned or controlled entities. AT&T and its affiliates share internal resources and are supported by different functions on a global basis. Based on this global structure, representatives from procurement, corporate social responsibility, strategic planning and legal formed a Modern Slavery Working Group. The Modern Slavery Working Group worked together and consulted with other internal stakeholders in identifying key tasks, action items and processes to ensure that modern slavery risks in AT&T Australia's supply chain are appropriately identified, assessed and addressed.

Briefings have been and will continue to be given to the board of directors of AT&T Australia as part of the ongoing risk reporting to the governing body of AT&T Australia.