



# Positive Change Through Innovation

2018 Corporate  
Responsibility Report

verizon<sup>✓</sup>

## 2018 Corporate Responsibility Report

The economic, environmental and social challenges facing us today call for new solutions – and Verizon is at the forefront of delivering them. 5G technology and the array of Fourth Industrial Revolution innovations transforming our world hold the potential to create a cleaner, healthier, more inclusive world in which people from all backgrounds can achieve their full potential. And today, Verizon is building toward that future by working in communities to connect people and businesses to each other and to the services they need, to help cities operate and use energy more efficiently, and to give under-resourced students access to technology and education that will help them succeed in the digital economy.

We're working in partnership with communities and national organizations such as the National Urban League, National Disability Leadership Alliance and many others that provide us with perspectives and advice as we develop policy and make business decisions to help address the issues they're confronting.

We're also finding new ways to leverage Verizon's technology to create solutions that address the issues described in the United Nations Sustainable Development Goals. This is Verizon's road to progress, and it's how we're using our technology to tackle the world's biggest challenges.



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Priorities

# Plan Boldly



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5G and the advent of the Fourth Industrial Revolution create vast new opportunities to address many of the world’s most pressing social and environmental challenges. To take full advantage of those possibilities, Verizon is working to strengthen our social responsibility strategy. We’re adopting new goals and commitments and taking a fresh look at all the ways our technology and our people can build a better, more responsible future.



# Toward a more sustainable and equitable future

At Verizon, our mission is to deliver the promise of the digital world by empowering people to generate innovation and positive change. CEO Hans Vestberg believes that 5G will not only provide a quantum leap in connectivity – it will also unleash exciting new opportunities to address the most pressing environmental and social challenges we face today. In addition to serving as Chairman and CEO of Verizon, Hans is a current member of the Leadership Council of the United Nations’ Sustainable Development Solutions Network. He is also a board member of the UN Foundation, the Whitaker Peace & Development Initiative, and Childhood USA (part of the Queen of Sweden’s World Childhood Foundation).



Our company’s very purpose is to connect people to each other – to bring people together across cultures to solve important problems.

It can be difficult for one person to change the world, but as a company with over 144,000 creative, passionate employees and millions of valued customers, we have an opportunity to make our mark on issues that matter. Together, we can use our shared ingenuity to take the world in a better direction.



# A conversation with Rose Kirk

**Chief Corporate Responsibility Officer & President, Verizon Foundation**

Senior social responsibility leader Rose Kirk addresses how Verizon's Corporate Social Responsibility (CSR) strategy today is building on past success – tackling the biggest problems in the world to benefit our customers, shareholders, employees and society.

“ We’re sharpening our vision of what social responsibility means at Verizon, and that vision is a bold one: To tackle the biggest problems in the world to benefit our customers, shareholders, employees and society.”



**Q:** Today there is a heightened interest in a company’s purpose, going beyond financial performance to assess how it delivers value for all its stakeholders. How is Verizon’s CSR strategy evolving?

**A:** We’re sharpening our vision of what social responsibility means at Verizon, and that vision is a bold one: To tackle the biggest problems in the world to benefit our customers, shareholders, employees and society. We are being even more intentional about understanding the pressing economic and social challenges that communities are dealing with and leveraging products and solutions to address them. Also, we are working to ensure that socially responsible practices are integrated throughout every facet of our business and become a core element of our corporate DNA. Our focus is on minimizing the environmental footprint of our own operations, and also on working with our vendors to improve the energy efficiency of the components and equipment that comprise our world-class network. Moreover, as a purchaser of more than \$50 billion of goods and services, we are working in partnership with our suppliers to promote ethical and responsible business practices throughout our ecosystem. As a champion of diversity and inclusion, we are working not only within our own company and among our suppliers and business partners, but also serving as a leading voice among technology providers to ensure that the digital world provides equitable opportunities so that no one is left behind.



## Priorities | Leadership Q & A

**Q:** In today's digital world, privacy is more relevant than ever. As you think about Verizon's CSR strategy and objectives, what role do privacy and data security play?

**A:** The digital world offers myriad opportunities to improve lives and address economic, environmental and social challenges. But we know this: consumers will allow us to roll out these innovations only if they trust us with their information. That's why we are committed to transparency. Our privacy policy explains what information we collect about our customers, how it is used and the choices our customers can make. In addition, we have safeguards in place to guard against unauthorized use or unauthorized disclosure of customer information, and have made significant investments in our security programming so that we have the capabilities we need to stay ahead of current and future cyber threats. Getting privacy and security right, and strengthening the foundation of trust with our customers are fundamental to the success of our business over the long term.

Verizon's Chief Privacy Officer and Chief Information Security Officer, both of whom are women, are leading the charge so that Verizon is well positioned to meet the diverse needs and expectations of our customers and ensure trust with their data. They participate in the efforts of numerous organizations composed of diverse stakeholders so that they are actively engaged in how new developments can engender even greater consumer trust.

**Q:** You have a goal to cut the carbon intensity of your operations in half by 2025. Are on you on track with this and other environmental commitments?

**A:** Since 2016, we have reduced our carbon intensity by 28 percent and are on pace to reach our goal. In 2018, we announced a new commitment to source renewable energy equivalent to 50 percent of our total electricity usage by 2025, a significant undertaking for a company of our size. This will further contribute to reducing our carbon intensity. Verizon recently issued a \$1 billion green bond, a first for our industry in the U.S., with proceeds to be used to fund key environmental priorities like renewable energy, energy efficiency, green buildings, water conservation and biodiversity. So, even as we make gains toward our goals, we are raising the bar on our environmental objectives.



**Q:** For many years Verizon has been recognized as a leader in diversity and inclusion. How does that approach contribute to business success?

**A:** We are proud of our standing as a leader in diversity and inclusion, not only in our industry, but among all major corporations. We are consistently recognized as a top employer for veterans, people of color, women and people with disabilities. And at Verizon, diversity starts at the top. Half of our board members are women or people of color, and these groups each fill roughly a third of our senior management positions.

Our business is all about innovation. In order to attract and retain the very best innovators, it's essential that we have a work culture that is inclusive and lets employees bring their authentic selves to work every day. Also, our primary goal is to serve our customers' needs. The millions of customers we serve are diverse across every dimension, and a diverse and inclusive team is an absolute necessity to understand and meet their expectations.



## Priorities | Leadership Q & A

**Q:** Why is STEM education such an important priority for Verizon?

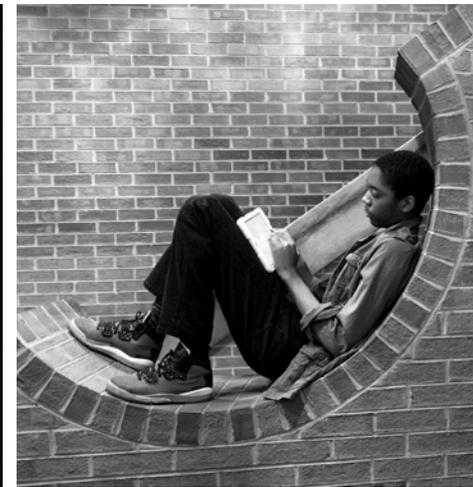
**A:** Today, millions of American students are lacking the technology and skills required for success in a world that grows more digital every day. As a country, we cannot ignore the importance of developing the next generation of technology savvy citizens to fuel a healthy economy and promote our global competitiveness.

Verizon's efforts to close the digital divide are aimed at helping those with little or no access to the digital world gain the ability to use technology in economically advantageous ways.

Our Verizon Innovative Learning program provides free technology, free internet access and a next-gen, technology-infused curriculum that changes the way teachers teach and students learn. We work hand in hand with nonprofit partners and our team of education and technology experts to build and administer STEM-focused programs from the ground up. We carefully measure and refine our programs to ensure we're making a difference – and we have. Our programs drive real academic improvements such as improved math achievement and increased student engagement as compared to non-Verizon Innovative Learning schools.

Additionally, we are committed to being the first to bring 5G technology to the classroom, where our students and teachers will be at the forefront of the transformative technology that will drive the Fourth Industrial Revolution. Technology such as virtual and augmented reality and advanced, low-latency robotics, along with more immersive collaboration experiences will further prepare the next generation for tomorrow's digital world.

Since 2012, we have committed a total of \$400 million to help under-resourced communities bridge the digital divide. We have helped more than 1 million kids to date and plan to help roughly 2 million more by 2021.





# A strategy derived from robust stakeholder engagement

Our CSR strategy is grounded in our priorities, which are defined by our Credo – the set of principles that describe who we are and what Verizon’s customers value. Many principles of our Credo, including focus outward on the customer, having integrity at our core, embracing diversity and sharing our success with the community are inherent in our social responsibility framework. This framework outlines the focus areas in which we are infusing social responsibility practices into our core operations. They are:

**Growth and customers:** We are building processes to identify and pursue market opportunities that address economic and social challenges while enabling significant revenue generation for Verizon. In addition, we are working to ensure that our product development processes incorporate product life cycle considerations, and our business cases include environmental and human rights considerations.

**Performance excellence:** We are further integrating efforts to minimize our environmental impact into our processes, and finding additional ways to work in partnership with our suppliers to scale these efforts. In addition, we are targeting opportunities to align with the social responsibility goals of our partners and suppliers to effect positive change on a global scale.

**Trust:** We are redoubling our efforts to be transparent and put policies in place that engender customer trust.

We partnered with BSR, the global sustainability nonprofit, to identify and prioritize the environmental, social and governance (ESG) issues most relevant to our stakeholders. We group those issues into three categories:



## Transformative

Issues that could significantly change the impact of our business.

- Privacy, data security & freedom of expression
- Technology solutions to social issues
- Community investment



## Strategic

Issues that may represent risk or opportunity for the business.

- Employee engagement
- Climate change
- Corporate governance



## Fundamental

Issues managed as part of responsible business practices.

- Supply chain standards
- Appropriate use of digital technology
- Content standards & user controls



# Strengthening our commitments

With the inherent capability to address global societal challenges, Verizon technology underpins the innovation that can lead to achievement of all 17 of the United Nations Sustainable Development Goals. Moreover, we have determined that our technology and assets can have unique impact in addressing SDG 4: providing young people with relevant skills for good jobs and entrepreneurship and SDG 8: promoting an environmentally sustainable economy. In addition, we have set aggressive goals that align with SDG 13: climate action.

As we continue our work to address society's big challenges, we will continue to identify additional SDGs that our technology has the potential to help achieve. We anticipate that this will lead to setting goals that focus on additional SDG targets.

## As part of our strategy, we set goals that demonstrate how we are contributing to the achievement of these SDGs:



**By 2021**, Verizon will help provide 3 million students with the skills required to put them on the path to success in an increasingly tech-dependent job market.



**By 2022**, Verizon's networks and connected solutions will save more than double the amount of global emissions that our operations create.

## In late 2018, we set an additional goal that aligns with SDG 13:



**By 2025**, Verizon will source renewable energy equivalent to 50 percent of our total electricity usage.



## Also in alignment with SDG 13, we have made progress with these existing goals:

**By 2020**, 80 percent of our assessed suppliers will be compliant with Verizon's overall CSR standards.

**By 2025**, we will reduce water consumption by 15 percent against our 2016 baseline.

**By 2025**, we will reduce our carbon intensity (a measure of the carbon our business emits divided by the terabytes of data carried by our networks) by 50 percent against our 2016 baseline.

**By 2030**, we will plant 2 million trees in communities around the world, including 250,000 in areas impacted by the 2017 hurricane season.



Community

# Serve Broadly



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Education is the fuel that powers innovation and creates a more sustainable future. That's why Verizon has made significant, long-term investments in STEM education in America's schools – supporting innovative programs that reach students in underserved areas. Our work to build and strengthen communities also encompasses volunteerism by thousands of V Teamers, a leading role in responding to natural disasters, and our commitment to leverage our technology in diverse and exciting ways to help people do more in this world.



## Community | Education

# Verizon Innovative Learning: opening new doors for millions of students

Millions of students lack access to technology in the classroom and at home. Without those resources they run the risk of being left behind in a world that grows ever more digital by the day. Moreover, our nation's ability to be globally competitive, and our economic prospects, will be imperiled if we do not bridge the digital divide and succeed in leveraging the talent of all our young people. Since 2012, the Verizon Foundation has been working to support those students through a transformative program called Verizon Innovative Learning. The program provides free technology, free internet

access and hands-on learning experiences to help give under-resourced students the education they deserve. It's powered by a next-gen, technology-infused curriculum that fundamentally changes the way teachers teach and students learn. These programs transform middle schools with digital technology, immerse young men of color and young women in rural communities in tech and entrepreneurship education and train high school students to put design thinking principles to use in solving real-world business and societal challenges.

**By 2021, we aim to:**

### Reach 3 million students

and provide them with the skills to put them on the path to success in an increasingly tech-dependent job market.



**In 2018**

### Nearly 4,300 V Teamers

volunteered as STEM mentors

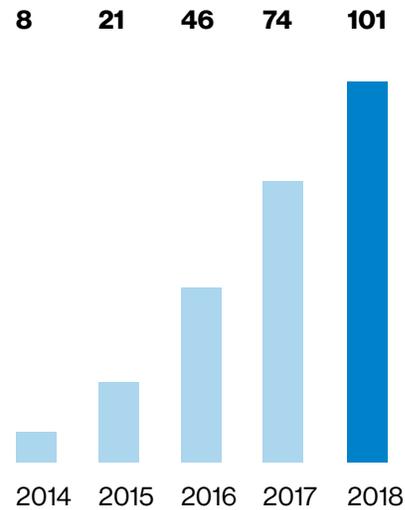
### Nearly 1.7 million students

impacted since 2012

# Community | Education Program Impact

We launched the Verizon Innovative Learning schools program in eight schools in 2014, and the initiative has grown steadily in the years since. During the school year that began in 2018, the number of schools that have participated since 2014 reached 100.

## Total schools in program since 2014



## 2018-2019 school year metrics



**67**  
participating schools



**52,649**  
participating students



**4,375**  
participating teachers

## Student attitudes changed

**42%** like school more

**54%** believe that having the technology makes science more interesting

**47%** believe that having the technology makes math more interesting

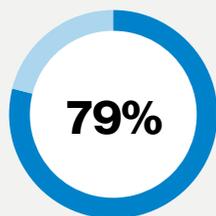
## Teachers reported classroom improvements

**76%** said that the program enhanced student engagement

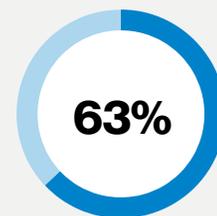
**59%** indicated that the program improved their interactions with students

**50%** of students feel more confident in school when they use their technology

## Teacher technology proficiency improved



said the program helped them change the way they teach



said the program helped them reach goals they had already set for their classroom and for their teaching

## Assessing improvement

We regularly measure program success by surveying both teachers and students on the impact of the program.\*

\* Results measured from the 62 schools participating during the 2017-2018 school year.





# Community | Education Program Impact

## Underrepresented middle school students in STEM

Two Verizon Innovative Learning programs are designed to address the needs of groups that are significantly underrepresented in STEM fields: young men of color and young women in rural areas.

These programs introduce students to next-gen technologies such as augmented reality, virtual reality, 3D design and printing and more. Students collaborate on projects that solve for the challenges addressed by the United Nations Sustainable Development Goals. Students attend summer immersion on campus at partner community colleges and universities, as well as weekly enrichment sessions year round. Also, they're connected with mentors and exposed to the career opportunities that STEM, technology and entrepreneurship hold for their futures.

Learn more at [verizon.com/inspires](https://www.verizon.com/inspires).

## Young men of color In 2018 we reached:



**2,177**  
middle school students  
enrolled through

**24**  
participating institutions

## After participating in the 2018 summer program:

**99%**  
increased ability in STEM

**92%**  
were more interested in attending a four-year college

**93%**  
had improved problem-solving skills

**97%**  
were more interested in a STEM career

## Young women in rural areas In 2018 we reached:



**1,297**  
girls at

**16**  
community colleges

## After participating in the 2018 summer program:

**100%**  
increased ability in STEM

**89%**  
were more interested in attending a four-year college

**92%**  
had improved communication skills

**97%**  
were more interested in a STEM career

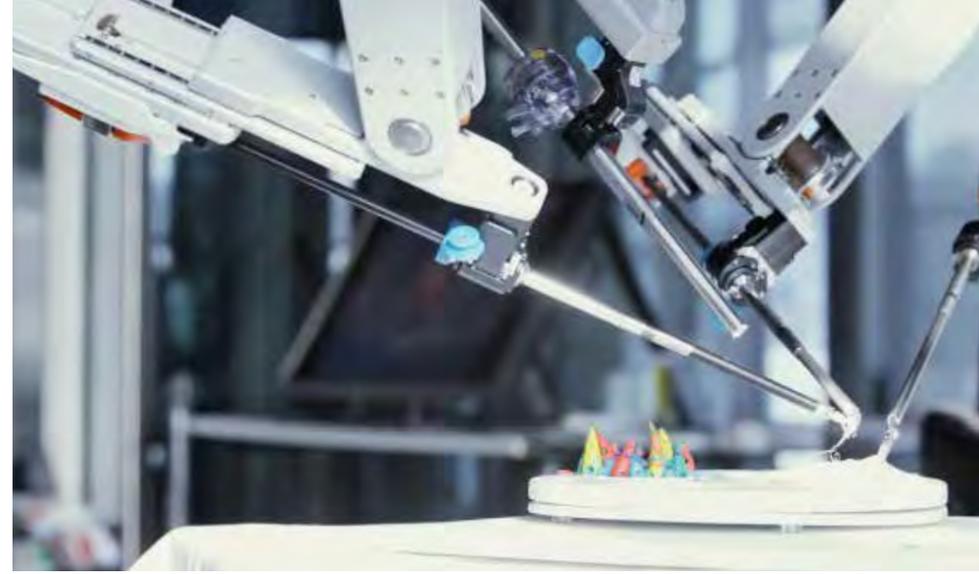


## Community | Humanability

# Making more possible

We're giving humans the ability to do more in this world by creating the connections that turn innovative ideas into reality. We call it Humanability. It's the idea that, in order to deliver real value, technology is always about people and making their lives better. It's why we're partnering with visionaries across many disciplines and industries to use technology as a force for good and to enable humans to do more than they ever thought possible. From improving health care to making driving safer to leveling the playing field for middle- and high-school students, Humanability is how Verizon and our partners are leveraging technology to unlock human potential.

Learn more at [humanability.com](https://humanability.com).



We're partnering with visionaries across many disciplines and industries to use technology as a force for good and to enable humans to do more than ever.



# Helping millions get back on their feet

Unfortunately, 2018 brought natural disasters to many of the areas we serve. Our Credo tells us to run to a crisis, not away, and Verizon and our employees stepped forward in a variety of ways to help those who were victims of hurricanes, wildfires, floods, volcanic eruptions and earthquakes. Our employees helped millions of people impacted by these disasters get back on their feet. In total, Verizon donated more than \$4.6 million to disaster recovery and community projects throughout the U.S., including \$1 million to the American Red Cross for Hurricane Michael relief.

Verizon launched an Emergency Resource Center Hub, which provides updates on our response to everything from wildfires to earthquakes to hurricanes. This hub allows news media, local officials, employees and others to learn about our emergency response efforts. For current information on Verizon's emergency response efforts, please visit our [Emergency Resource Center](#).



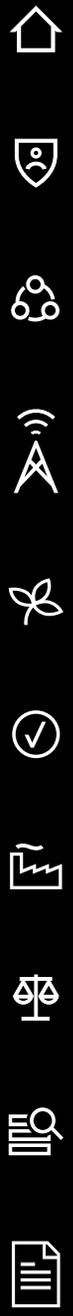
## 2018 Verizon donations



More than

**\$4.6 million**

to disaster recovery projects throughout the U.S.



# The V Team — taking action for others

Throughout the year, Verizon employees are making a difference as volunteers, supporting their neighbors and helping make their communities more resilient. Through their volunteer efforts, these V Team members embody an important component of our Credo: We are good corporate citizens and share our success with the community. In 2018 V Teamers donated more than 200,000 hours to nonprofit causes.

V Team members give generously, not only of their time but also their financial resources. Through our Matching Gifts Program, V Teamers donated millions of dollars in 2018 with corporate matching gifts of up to \$1,000 for their personal charitable donations and up to \$5,000 for donations to eligible educational institutions. Team members who volunteer at least 50 hours at a nonprofit during a calendar year can generate a \$750 donation from Verizon to that organization.

The talent and energy of V Teamers helps bring our Verizon Innovative Learning initiative to life. In 2018, nearly 4,300 V Teamers shared their time and expertise by serving as STEM mentors.

Our [Employee Resource Groups](#) are committed to many volunteer initiatives across the globe like supporting Robotics teams, mentoring students, and serving as role models to encourage girls and students of color to pursue careers in STEM, to name a few.

**More than 27,000 V Teamers across 36 countries and territories belong to the Verizon Green Team, our grassroots collective of volunteers dedicated to environmental stewardship.**



## The V Team's impact in 2018

**\$8,109,604**

donated by Verizon employees to schools and nonprofits

**202,005**

employees in support of nonprofits

**\$9,175,405**

donated through Verizon's Matching Gifts program – supporting employees' donations of time and money to schools and charitable organizations



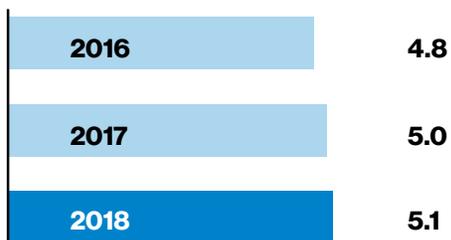
# Our economic impact

(dollars in billions)

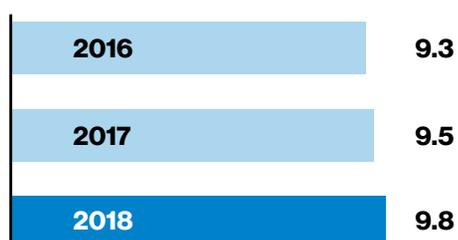


Our financial decisions and commitments as a company – from our own investments in our network, to our commitment to purchase from diverse suppliers, to paying retirees’ pensions and our shareowners’ dividends – have a positive impact on the communities we serve.

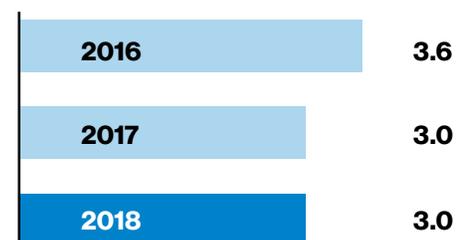
### Purchases from diverse suppliers



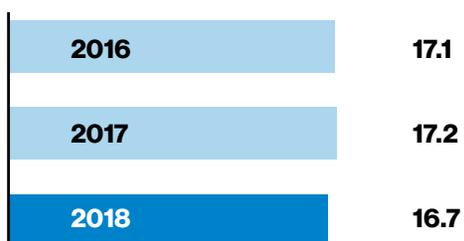
### Cash dividends paid to shareowners



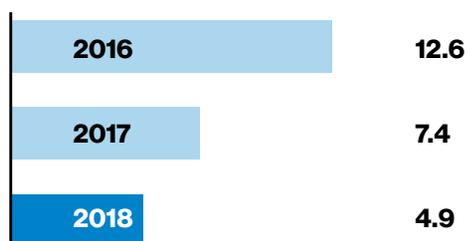
### Pension and other retirement payments



### Capital investment



### Cash paid for income taxes\*



\*Net of amounts refunded



## Product Responsibility

# Protect Transparently



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Verizon's technology offers vast potential to improve lives and build more resilient and sustainable communities. But as the pace of innovation continues to accelerate, these new technologies raise important questions about consumer privacy and the ethical implications of emerging technologies. These questions make it more important than ever that we deliver our products and services responsibly and that we adopt policies and safeguards to ensure that we continue to earn our customers' trust.



## Fortifying a foundation of trust

The products and services we provide transform how people, businesses and things connect with one another. We understand that the success of our products and services depends on customers' trust that their privacy is protected and their choices are respected.

We strive to communicate clearly and transparently about the information we collect and how we use it. Ensuring that customers know how their information is being used is the bedrock of an effective privacy policy. We are also committed to providing our customers with choices about how their information can be used. Protecting the privacy and security of customer information is a responsibility we take seriously.

“ We are committed to providing our customers with choices about how their information can be used. ”

As we bring new products and services to market or expand our offerings through acquisitions, we examine the relevant privacy and security questions. Before new products are brought to market, we embrace a design approach called privacy by design – to make sure we are embedding privacy considerations from the beginning. We take other appropriate steps to provide our customers with strong and meaningful privacy and security protections.

We have long advocated a uniform federal privacy framework that would apply to all players in the digital technology ecosystem. We believe that clear, consistent rules of the road would benefit our customers – no matter how they use their devices, apps or services.

## Fostering transparency

Verizon publishes semiannual reports online that present the number of demands we received from law enforcement in the United States and other countries in which we did business. To learn more about how we handle government requests for customer information, both in the U.S. and internationally, please see our most recent reports here: [verizon.com/about/portal/transparency-report](https://www.verizon.com/about/portal/transparency-report).

At Verizon, we are committed to maintaining strong and meaningful privacy protections for customers. Our privacy policy is designed to inform you about the information we collect, how we use it and your options about certain uses of information.

To learn more about Verizon's privacy policies, read a message from our Chief Privacy Officer, Karen Zacharia, here: [verizon.com/about/privacy/privacy-officer-message](https://www.verizon.com/about/privacy/privacy-officer-message).

Our full privacy policy is available here: [verizon.com/about/privacy/full-privacy-policy](https://www.verizon.com/about/privacy/full-privacy-policy).



# Safe and appropriate usage

Our content policy for Verizon networks ensures that content is age-rated, conforms to recognized third-party content-rating systems, when available, and is consistent with industry best practices.

We meet our customers' need to manage their individual access to content by providing them with several content-management tools, including:



### Fios TV parental controls

that go beyond rating-based filters and allow parents to block content by age group, control the display of certain programming and information on the on-screen guide and even block specific channels or categories.



### Enhanced content-filtering tools

for smartphones, tablets and computers, offered through a partnership with content-filtering-technology leader Mobicip, to help children make positive choices everywhere they browse.



### My Fios app

that enables parents to control how much time their kids spend online through per-device internet usage limits, and lets parents set daily or weekly time limits on any connected device.



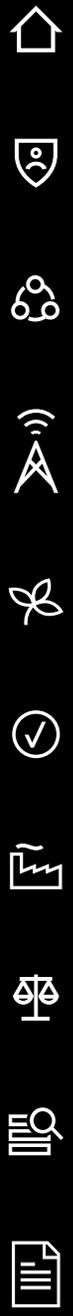
### Verizon Internet Security Suite

that helps protect computers, personal information and children from a wide array of online threats, including hacking and identity theft.



### Verizon Smart Family

lets parents know where their kids are by tracking their smartphones. It also lets parents limit what children see on their smartphones by setting content filters, blocking inappropriate apps and websites, and providing options to set call, text and data limits.



# Additional online resources



Verizon partners with several organizations that promote safe and appropriate digital experiences for children and families. The Family Online Safety Institute (FOSI), an international nonprofit, is dedicated to making the online world safer for kids and families through enlightened public policy, industry best practices and FOSI's Good Digital Parenting initiative. **Growing Wireless**, an initiative of the industry association CTIA, is focused on giving youth and families knowledge and resources that provide safe and rewarding wireless experiences. **Family Safeguards and Controls** is a website that lets customers follow, share and participate in the ongoing conversation about digital safety and security.

“ Instilling the confidence to use technology safely and responsibly.”

Verizon wants to make the internet and Verizon services safe for everyone. If consumers see content they believe is child sexual abuse material, or if they observe any illegal activity involving children while using any Verizon service, we urge them to [report it](#). Notice can be sent by email to [abuse-cp@verizon.com](mailto:abuse-cp@verizon.com). Reports can also be made directly to the National Center for Missing and Exploited Children through [cybertipline.org](http://cybertipline.org) or by calling 1-800-843-5678.

### Radio frequency emissions

Verizon provides information on radio frequency emissions in several locations: at [verizonwireless.com](http://verizonwireless.com); on a printed insert in the box of every new or refurbished cell phone; and in all Verizon retail stores.

Verizon equipment complies with Federal Communications Commission requirements that all wireless communication devices sold in the U.S. meet minimum guidelines for safe human exposure to radio frequency energy. For more information on industry radio frequency emissions, please visit: [verizonwireless.com/support/radio-emissions](http://verizonwireless.com/support/radio-emissions).



# Making technology available to all

Verizon works to ensure equal access to our products and services, including for customers in rural areas and customers with disabilities, so that everyone can access the benefits of technology and can fully participate in the digital world. Beginning three decades ago, we implemented [Universal Design Principles](#) that commit our company to providing products and services that can be used and enjoyed by the broadest range of customers, including youth, individuals with disabilities and seniors.

Fios TV offers accessibility features for our visually impaired customers, including: Text-to-Speech functionality for the Fios TV on-screen guide, and Descriptive Video Services, which, when available from the video programming provider, deliver a narrative description of key visual elements within a broadcast. Our newest set-top boxes offer voice-controlled remote, called Fios TV One, and we offer integration with Amazon Alexa for voice control.

Verizon's Center for Customers with Disabilities serves wireline customers and offers direct American Sign Language services. The Verizon Wireless National Accessibility Customer Service Center supports customers who need additional assistance to meet their wireless needs.



Verizon, Getty Images and the National Disability Leadership Alliance have partnered to create [The Disability Collection](#), a growing collection of stock images that break stereotypes and authentically portray people with disabilities in everyday life. We are empowering our industry to get real about disability representation with stock photos that can be licensed and used by anyone in the world. Several photos from the collection are featured in this report.

### Ensuring rural access

Our LTE in Rural America (LRA) program is a collaborative partnership with rural carriers to accelerate the deployment of rural wireless broadband services.

At the end of 2018, our 21 LRA partners continued to provide LTE service in their rural areas through a growing network of over 1,400 active sites. The leases for the 21 participants cover just over 2.7 million people in 16 states and more than 220,000 square miles. The LRA program continues to be an important part of providing high-speed data to rural communities.



## Environment

# Operate Efficiently



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We believe that technology is an essential enabler of low-carbon economic growth, and our investment in innovation, including 5G and Fourth Industrial Revolution technologies, helps prepare us for a more climate-conscious, energy-efficient future. Our efforts to innovate and leverage technology help our business, our customers and our communities respond to climate change. Across our operations we continuously seek to identify ways to conserve energy, lower emissions, reduce water consumption and divert waste from landfills.



# More progress in reducing greenhouse gas emissions



In an era of profound climate change, we believe businesses, and technology companies in particular, have a special role to play in assisting people and society at large to move towards a low-carbon future and build resiliency. Our connected solutions help our customers save energy and reduce their carbon emissions. The opportunities to apply our technology to reduce energy use and emissions are abundant – and those opportunities will accelerate rapidly as 5G expands. Some examples:



Smart buildings deliver data on energy use, allowing managers to maximize building performance and efficiency.



Intelligent asphalt, with embedded sensors, monitors traffic flow, permitting cities to adjust traffic signals to reduce commute times and carbon emissions.



Mobile apps help drivers find available parking spaces, reducing congestion and CO<sub>2</sub> emissions.

## Achieving top-tier performance

This year Verizon again received an A- on CDP's 2018 evaluation. Verizon is ranked in CDP's Leadership scoring band. This assessment designates Verizon as a leader among companies that voluntarily disclose their environmental impacts.



## Carbon Intensity:



Goal  
**50%**

reduction by 2025 over our 2016 baseline



Over  
**92%**

of Verizon's emissions come from the electricity we use to power our networks



We have achieved a

**28%**

reduction in the carbon intensity of our operations against our 2016 baseline

# Energy-efficient solutions



Advanced technology enables millions of consumers and businesses to reduce their carbon footprint and be more sustainable. Our connected solutions help our customers save energy and reduce their carbon emissions. We work with the Carbon Trust, a respected nonprofit, to measure the yearly reduction in CO<sub>2</sub> equivalent (CO<sub>2</sub>e) emissions our customers are achieving through the use of our products and services. In 2018, our solutions enabled the avoidance of 8.2 million metric tons of CO<sub>2</sub>e, equivalent to taking 1.6 million cars off the road. The emissions avoided represent approximately 1.68 times the emissions generated by Verizon's operations (Scope 1 and 2).

							
Emissions source	<b>Business travel</b>	<b>Transportation</b>	<b>Buildings</b>	<b>Power grids</b>	<b>Health care</b>	<b>Parking</b>	<b>Production of goods</b>
Verizon solution	Telecommuting	Telematics	Smart building management	Smart meters & demand response units	Remote patient monitoring	Smart parking meters	Dematerialization
User	U.S.-based customers	U.S.-based drivers	U.S. businesses, city & state governments	U.S. utilities, businesses & customers	Patients, medical professionals	U.S.-based drivers	U.S.-based customers
Measurement	Reduction in miles driven (gallons of gas not used)	Reduction in miles driven (gallons of gas not used)	Reduction in kilowatt hours (kWh) of energy used	Reduction in kWh of energy (reduced transmission & distribution losses, lowered peak demand & enhanced energy efficiency)	Reduction in miles driven (gallons of gas not used) & number of days in hospital	Reduction in miles driven (gallons of gas not used)	Reduction in production of physical products (including newspapers, CDs, DVDs, etc.)
CO <sub>2</sub> e avoided (metric tons)	3,560,571	1,884,262	2,147	1,855,135	147,023	41,850	738,045

Our solutions enabled the elimination of **8.2 million** metric tons of CO<sub>2</sub>e emissions, equivalent to removing **1.6 million** cars from the road for one year.





# More progress toward our goals



We aggressively pursue strategies to reduce emissions and drive greater energy efficiency across Verizon's operations. More than 92 percent of Verizon's emissions come from the electricity we use to power our networks. We place a particular emphasis on increasing the energy efficiency of our larger wireless core data centers.

In pursuit of our goal to reduce carbon intensity by one-half by 2025 compared to our 2016 baseline, we focus on increasing our use of renewable energy and on initiatives like copper-to-fiber migrations, facilities improvements and changes in our fleet operations.

We are pursuing opportunities for continued, sustained progress and will continue to measure and disclose our performance against the 2025 carbon intensity goal. Our results are independently assured. We commissioned independent external assurance of our Scope 1, 2 and 3 (exclusively business travel) greenhouse gas (GHG) emissions and carbon intensity for 2017 and reported the results in our 2018 CDP Climate Change Response ([CDP.net](#)) and on our corporate site. In 2017, we have achieved a 28 percent reduction in the carbon intensity of our operations against our 2016 baseline. We are currently undergoing independent external assurance of our 2018 GHG emissions and carbon intensity and will report the results when they become available. For more information, please refer to our [GHG Emissions Reporting Standards](#).

# Our emissions by scope

(CO<sub>2</sub>e metric tons)

	2015	2016	2017	% Change 2016-2017
<b>Scope 1</b>	445,704	372,496	376,735	+1.1%
<b>Scope 2</b>	5,529,153	5,529,727	4,522,261	-18.2%
<b>Total Scope 1 &amp; 2</b>	5,974,897	5,632,222	4,898,996	-13%
<b>Scope 3*</b>	43,333	91,365	69,271	-24%

\* Exclusively business travel.

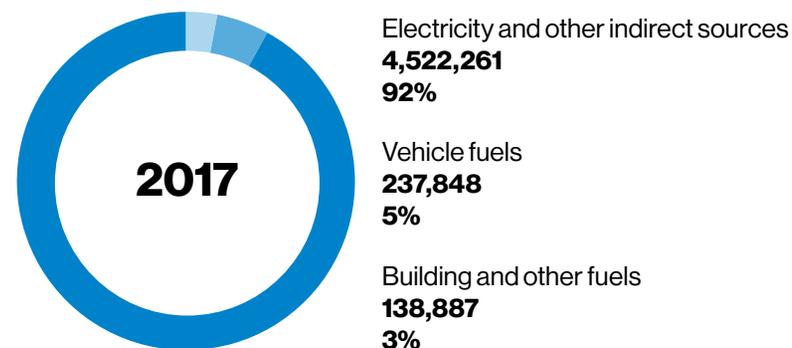
## Scopes 1, 2 and 3

**Scope 1** All direct sources of emissions owned or controlled by Verizon, with the main categories being fuel to power our fleet, heat our buildings and power our back-up generators.

**Scope 2** Indirect emissions sources generated off-site, but purchased by Verizon. The main category is electricity to power our networks and data centers, plus a small amount of steam and heat purchased to heat our buildings.

**Scope 3** Emissions from corporate business travel (air and rail) based on travel reservations.

## Emissions profile (CO<sub>2</sub>e metric tons)



We are currently undergoing independent external assurance of our 2018 GHG emissions and carbon intensity. We will report our results later in 2019.

## Our carbon intensity progress





# Adopting an important new green energy goal

During the course of the past seven years, Verizon has made it a priority to deploy more green energy resources – such as solar and fuel cell technology – in our facilities. In 2016, we set a goal to add an additional 24 megawatts of green energy in our operations by 2025.

In 2018 Verizon committed to a new goal: to source or generate renewable energy equivalent to 50 percent of our total annual electricity consumption by 2025. We'll achieve this by continuing our development of renewables at our own operations and by sourcing green energy from external sources.

Early in 2019 we issued our first-ever **green bond**, a debt instrument aligned with the interests of a growing number of environmentally conscious investors. The bond's \$1 billion proceeds will be used to fund important environmental initiatives in the areas of renewable energy, energy efficiency, green buildings, water conservation and biodiversity.



## Renewable energy goals:



### Our new green energy goal:

By 2025, source renewable energy equivalent to **50%** of our total electricity usage



### 24 megawatts

of additional on-site green energy by 2025



# Better systems, best practices

A commitment to installing energy-efficient systems and employing energy management best practices contributes to reaching our goal to reduce the carbon intensity of our operations. Facilities improvements include mechanical and whole-building control systems, LED lighting, high-efficiency motors, economizers, cable dehydrators and high-efficiency uninterruptible power supplies.

Better cooling technologies in our data centers further our progress towards reduced carbon intensity, and these approaches have improved power utilization effectiveness (PUE) at these facilities. Extensive deployment of economizers, which bring outside air into the HVAC system when it is cooler outside than in, also reduce energy consumption.

Altogether we have 354 LEED-certified buildings and 278 ENERGY STAR-certified buildings, and we are committed to pursuing ENERGY STAR certification for 100 percent of eligible facilities.

### More efficient logistics

Over the past year Verizon Wireless has reduced our shipping carbon intensity – the amount of CO<sub>2</sub> emitted per pound shipped through our supply chain – by 15 percent compared to 2017. These logistics improvements represent the removal of approximately 5,633 metric tons of CO<sub>2</sub> emissions from the atmosphere, or the annual equivalent of about 13 million passenger vehicle miles.



A big reason for the improvement? We've changed the way customers send and receive packages when they buy a new device or when they participate in Verizon's Trade-in program. Formerly, customers purchasing a new device and trading in an old phone would receive a package containing their new device from one distribution center and a second empty package from another facility to return their trade-in device. Thanks to operational and IT improvements, these customers now receive a single package with their new device and all the materials needed to complete their trade-in. It creates an easier and more environmentally friendly experience for our customers.

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For the **6th consecutive year**, Verizon was named as an ENERGY STAR Partner of the Year and was again recognized for Sustained Excellence.



## Environment | Efficient Mobility

# Supporting lower-carbon alternatives

We continue to focus on improving the fuel efficiency of our fleet. As we replace older service vans, we are switching from V8 to V6 engines because they are more fuel efficient. In addition, as we replace aerial lifts, we have switched to systems that run solely on electric power so a technician can turn off the vehicle's main engine.

As we work toward a lower carbon future, electric vehicles (EVs) are playing an increasing role in making personal mobility more environmentally efficient. To support that transition, and to help our employees reduce their emissions and carbon footprint, we're expanding our capacity for EV charging at Verizon facilities.

**Goal:**  
expand on-site EV charging to 75 locations by 2020



**75 sites**

**2018 progress:**  
current locations with EV charging stations



**61 sites**



**Verizon fleet fuel consumption**  
(1,000 gallons)





# Conserving resources, increasing diversion

Verizon is committed to the sustainable sourcing and use of paper, and our approach is detailed in our paper sourcing and use policy, found here: [verizon.com/about/our-company/company-policies/paper-sourcing-and-use-policy](https://www.verizon.com/about/our-company/company-policies/paper-sourcing-and-use-policy).

In support of that commitment we have adopted an annual public goal: that at least 50 percent of the paper we source includes 10 percent postconsumer waste (PCW) content. In 2018, we exceeded our goal, achieving 65 percent of our sourced paper including at least 10 percent PCW content. (This total excludes billing segments that cannot be printed on recycled content paper as a result of machinery issues.)

Over the past four years, Verizon Wireless has reduced the amount of printed material for customer orders by 70 percent compared to 2014 levels. For 2018 this represents avoiding the use of approximately 157 tons of paper, the equivalent of about 3,100 trees, compared with 2017.

## Goal:



**50% of paper** sourced annually includes 10 percent postconsumer waste content



**70%** reduction in Verizon **printed material** for customer orders since 2014

# Recycling

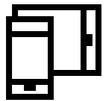
Our goal is to divert cell phones, set-top boxes and other electronic devices from landfills by reusing or recycling them. We refurbish and redistribute Fios set-top boxes and recycle Verizon-owned equipment, including network equipment, batteries and other supplies.

We also engage with customers and the community by conducting public recycling rallies to collect e-waste in the communities we serve. In 2018, we held 53 e-waste recycling events. Through these events, we gathered 500,289 pounds of material for recycling, enough to offset 725.3 metric tons of CO<sub>2</sub>e emissions.

### Internal recycling and conservation programs

We've reduced the use of plastic model phones for marketing purposes by 45 percent since 2015. This amounts to approximately 209 tons of plastic no longer required to support our business.

#### In 2018:



**100%**

of all wireless devices and accessories returned by our customers were repurposed, reused or recycled

#### 2018 recycled materials (in lbs.)

Telecom equipment	<b>41,380,963</b>
Municipal recycling	<b>32,007,469</b>
Paper/cardboard	<b>7,800,658</b>
Lead acid batteries	<b>7,421,904</b>
International telecom equipment	<b>753,075</b>
Other batteries	<b>115,155</b>
<b>Grand total 2018</b>	<b>89,479,224</b>



### Recycling batteries and telecom materials

Our practices for recycling exceed regulatory mandates. Verizon audits recycling facilities at least every five years against international environmental, health and safety requirements. In addition, we require that suppliers send their used batteries to approved recycling facilities in the U.S. and Canada. In 2018, we recycled more than 89 million pounds of telecommunications equipment, batteries, paper, cardboard and other items.

#### 2018 community recycling results



**53**  
**events**

e-waste recycling



**500,289**  
**pounds**

e-waste collected



**3.7 million**  
**pounds**

at recycling rallies since 2009 against a 4 million pound goal



# Reaching our conservation goal

Water is a precious and irreplaceable resource, and many communities are water stressed – struggling to balance competing demands for a limited water supply. At Verizon we are doing our part by setting conservation goals and implementing processes to reduce our water consumption.

Verizon established a goal of reducing water consumption by 5 percent over a 2014 baseline. By 2016 we had met and exceeded that goal, having achieved a reduction of 7 percent. Following that success we twice raised our targets for water conservation. Our current, updated goal is to reduce our water consumption by 15 percent over our 2016 level by 2025.

Our water performance has been externally assured by EY. For details and our full calculation methodology, read the [Independent Accountants' Review Report](#).

**Goal:**

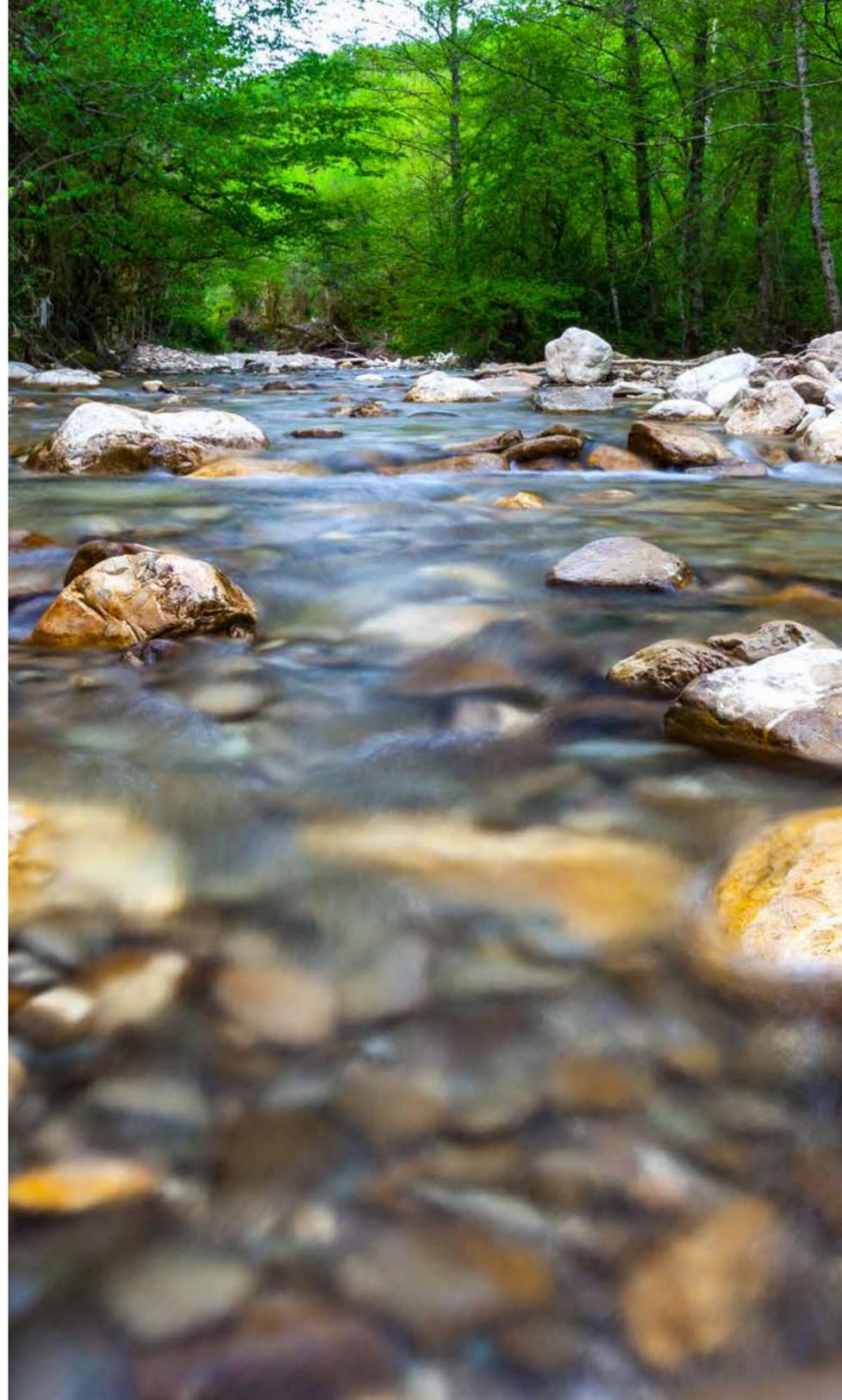


**15% reduction**  
against our 2016 baseline

**Progress:**



**8% reduction**  
against our 2016 baseline





# Identifying and reducing risks

Verizon has adopted an environmental management system (EMS) based on International Standards Organization (ISO) 14001 and achieved certification in some markets, while evaluating implementation across the business. Our EMS provides guidance, instruction and best management practices that exceed regulatory requirements while striving for continuous improvement. In 2018 we updated 7 programs with an environmental focus.

Verizon's EMS provides a framework for identifying, controlling and reducing the risks associated with the environments in which we operate. Besides regular management system assessments, internal and third-party compliance audits and inspections are performed annually at hundreds of facilities worldwide. The goal of these assessments is to identify and correct site-specific items, and to educate and empower facility managers and supervisors to implement corrective actions.

Verizon's environment, health and safety efforts are directed and supported by highly trained and experienced health, safety and environment experts around the world that support our operations and facilities.





# Grassroots environmental action delivers results

The Green Team is Verizon's voluntary, grassroots effort that builds sustainability into everything we do. In 2018, 27,248 employees in 36 countries and territories were part of the Green Team. Green Team members work to help Verizon reduce our environmental impact at work and to reduce their personal impact at home. Verizon has a public goal of 20 percent of employees participating on the Green Team by 2020. At year-end 2018 we met that goal early, with 20.4 percent of employees participating, and set a new goal of having 25 percent of employees on the Green Team by 2025.

In 2018, we exceeded our goal to conduct 250 Green Team events – encompassing tree plantings, green space cleanups, beautification projects, recycling events and more.

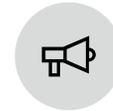
In March 2018, Verizon observed Earth Hour by offering employees five ways to pledge an hour to the environment throughout the month. This annual event brings together individuals, companies and other organizations to raise awareness around resource use and conservation. Green Team members in 36 countries pledged nearly 14,000 hours in the month of March.

## Reforestation initiatives

Verizon established a goal to plant 2 million trees by 2030, and in 2018 we made continued progress toward that objective. In 2018 we sponsored the planting of 156,766 trees, including more than 50,000 trees in areas impacted by the 2017 hurricanes. Since the initiative began in 2009, some 724,550 trees have been planted. For 2019 our goal is to sponsor the planting of an additional 120,000, including 50,000 trees in hurricane-impacted areas.



**274** Green Team events in 2018



More than **27,000 employees** on the Green Team



More than **724,000 trees** planted since 2009



V Team

# Engage Inclusively



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Our ability to deliver the promise of the digital world relies on the talent, commitment and engagement of our more than 144,000 employees worldwide – the V Team. We know that investing in their success and creating a culture where every member of the V Team has a voice is how we compete and win. Verizon’s diverse and inclusive culture is a source of strength – and positions us to serve customers in new and better ways as we move forward.



# What guides our work



We aspire to be a corporation that purposefully embodies economic, environmental and social accountability. Our journey towards achieving that vision begins with our Credo. It provides an aspirational foundation and defines who we are and how we work, along with our core values of integrity, respect, performance excellence, personal accountability and social responsibility.



Everything we do is built on the strong foundation of our corporate values.

“ The work I do every day changes the way people live, work and play. I thrive on challenges and have opportunities to grow. I am inspired because my work matters. I am part of a winning team and collaborate with the best and brightest. The pay and benefits are awesome, and they help me reach my personal, professional and financial goals. ”

### How we work

Created from employee opinion survey research and employee focus groups, this statement reflects how V Teamers sum up the value of working at Verizon.

Learn more at: [verizon.com/about/our-company](https://www.verizon.com/about/our-company).



# Creating a stronger company and culture

Our business is all about connecting people and cultures across the world, and using technology to enable people, business and society to innovate and drive positive change. We know we can only fulfill this purpose by building a diverse workforce and inclusive culture where differences are a strength and all people are empowered to grow and contribute – within Verizon, with our customers and among our business partners and suppliers. Our commitment to diversity and inclusion is more than the right thing to do – it’s a business imperative and a competitive advantage. By valuing diversity and inclusion across people with different backgrounds and ways of thinking, we build a stronger company and culture.

Verizon’s [Equal Employment Opportunity/Affirmative Action Policy](#) reinforces our commitment to diversity.

Our commitment to diversity and inclusion encompasses the principle that all employees should be compensated equitably for similar work and should have an equal opportunity to contribute and advance in the workplace. In 2017, Verizon published its [Pay Equity Commitment](#), our pledge to identify and promote best practices in compensation, hiring, promotion and career development; to develop strategies to reduce unconscious bias; and to make hiring, promotion and compensation decisions that promote pay equity. We have removed from employment applications all questions seeking current or past salary information of applicants for employment.



## We continue to invest in the growth of women and people of color on the V Team. Among our most successful initiatives:



A seven-month mentorship program that matches senior executives and female V Team members with the goal of advancing leadership skills and development.



A three-month program supporting managers who are people of color, fosters leadership development and networking with senior leaders.



In 2018, we expanded the required workshops for our leadership team to explore unconscious bias and how to mitigate its impact to create a more inclusive workplace.

We promote diversity and encourage the contribution of diverse business partners to our success through our Short-Term Incentive Plan, which includes a 5 percent diversity and sustainability metric relating to the percentage of U.S.-based employees who are women and people of color; our overall supplier spending directed to firms owned by women, minorities, veterans, LGBT, and people with disabilities; and reductions in the carbon intensity of our business.

## V Team | Diversity & Inclusion

### Recognition and recruiting partnerships

Our success in building a diverse and inclusive culture continues to earn Verizon numerous prestigious awards. Among them:

- **100% score, 2018 Disability Equality Index.** For the third consecutive year we earned a 100% rating on the Disability Equality Index (DEI), demonstrating the value of our diverse and inclusive experiences for employees, customers and suppliers.
- **100% rating in the 2018 Corporate Equality Index (CEI),** a survey conducted by the Human Rights Campaign Foundation, earning Verizon the distinction of being one of the Best Places to Work for LGBTQ equality. Verizon has scored 85 points or better in 12 of the years we've participated.
- **Working Mother 100 Best Companies.** Verizon has been on the 100 Best list for 18 consecutive years.
- **Top Companies for Executive Women.** For the 11th year the National Association of Female Executives named Verizon to its annual list of Top Companies for Executive Women.
- **The Hispanic Association on Corporate Responsibility (HACR) Award** for Corporate Inclusion Index recognizes companies for making a difference in Hispanic inclusion in the areas of Employment, Procurement, Philanthropy and Governance. Verizon was awarded the maximum rating of five stars in three of the four categories for 2018, to include Employment, Philanthropy and Governance.
- **2018 Top 50 Companies for Diversity** from Black Enterprise magazine. The publication has recognized Verizon for five consecutive years.

Learn more at:

[verizon.com/about/our-company/awards-recognition](https://www.verizon.com/about/our-company/awards-recognition).

Verizon sponsors many diversity organizations, and we partner with them to engage their student members on college campuses where we recruit. These partnerships include: Grace Hopper, Society of Women Engineers, National Society of Black Engineers, Society of Hispanic Professional Engineers, Hispanic Engineering National Achievement Award Conference, Disability: IN, and the National Business & Disability Council.



Verizon is a founding sponsor of Women in Technology and Entrepreneurship in NY (WiTNY). As a collaborative initiative with Cornell Tech, the City University of New York (CUNY), and industry partners like Verizon, WiTNY propels women – from high school through graduate school – into rewarding tech careers with programs focused on education, work experience, and community building. We partner on a number of initiatives, including the “winternship” program, three-week internships for college freshmen and sophomores during their winter break. Verizon worked with WiTNY to pilot the winternship in 2017 with five students, and in 2018 WiTNY expanded the program to more than 170 students across 45+ companies. In 2018, Verizon hosted 10 winterns, and nine of them returned to Verizon for summer internships that year. In 2019, Verizon will host an additional 12 winterns across technical functions.

Verizon launched adfellows 2.0 in September 2018. adfellows is a program for college graduates across the country with diverse backgrounds and an interest in marketing. The eight-month marketing fellowship allows participants to rotate through Verizon and agency partners to gain both client and agency experience and promote diversity in the marketing industry. We achieved a 100 percent graduation rate and an 84 percent full-time retention rate in our first year. In 2018 the initiative expanded to include 30 new adfellows and six new sponsor partners.

# Strengthening our connections, empowering the V Team

To create and sustain a diverse and inclusive culture, it's essential that we engage and empower our employees so they can fulfill their greatest potential. Our global employee resource groups (ERGs) and their members serve as ambassadors of diversity and inclusion. While each ERG has its unique mission, together all work toward four common objectives:

- Career – dynamic programming for employee professional development.
- Customer – a forum for employees to collaborate to help the company deliver great customer experiences in all market segments.
- Community – outreach to enable economic inclusion for underserved communities.
- Culture – continue to build an inclusive company culture where everyone can thrive on their uniqueness and contribute to the business.

ERGs help the V Team to value and leverage our differences – and similarities. By collaborating through ERGs, members bring their whole and authentic selves to their work and contribute their unique perspectives. Knowing their voices are heard and their work is valued, they find a strong sense of belonging, helping to drive Verizon's competitive advantage.

We want every member of the V Team to bring their best selves and feel included at work every day. So, in addition to engaging thousands of V Teamers through our ERGs, we strengthened our best practices for a diverse and inclusive culture by expanding the reach of our unconscious bias training. Live workshops and virtual training were implemented, covering all levels of the organization in 2018. As we continue to learn about and discuss the impact of unconscious bias, we will explore opportunities to ensure our policies, practices and systems evolve to reflect that learning.



## Verizon sponsors nine ERGs:

- Asian-Pacific Employees for Excellence
- Black Resource Association of Verizon Employees
- Disabilities Issues Awareness Leaders
- Gay, Lesbian, Bisexual and Transgender Employees of Verizon and Their Allies
- Hispanic Support Organization
- Native American People of Verizon
- South Asian Professionals Inspiring Corporate Excellence
- Veterans Advisory Board of Verizon
- Women's Association of Verizon Employees





# Connecting with America's best

The talent, leadership skills and commitment to teamwork exemplified by former members of the U.S. Armed Forces are well aligned with the needs of our business. That's why we don't just thank veterans, we hire them. Programs such as our Military Talent Network are specifically targeted to recruit veterans and access their diverse skill sets. In 2018, we hired 1,122 veterans. We also support military spouses with career guidance by connecting them to a military-spouse recruiter.

We're proud to have more than 10,300 veterans serving our customers. Our military leave policy allows our service members to continue serving their country. When V Teamers are called up to active duty, we bridge the gap between military pay and Verizon pay to ensure their family members and financial and healthcare needs are cared for.

In addition, Verizon was named 2018's:

- Top Military Friendly company for our commitment to the military community, service members and veterans across all aspects of our business.
- Number six in the Best for Vets: Employers survey.
- #1 Military spouse friendly employer by Military Friendly™. Verizon was recognized as a company that understands and respects the needs of a military spouse while providing a fulfilling career. Pre-identified candidates utilize our Military Recruitment Team and Military Spouse Network to find career opportunities that match their needs.

### Hiring Our Heroes

Verizon is a proud sponsor of the Hiring Our Heroes Corporate Fellowship program, a U.S. Chamber of Commerce initiative that matches service members with participating companies to smooth the transition from their military to their civilian careers. In 2018, we participated in 3 cohorts with eight Fellows, six of whom were hired into full-time positions. We are also a Chairman's Circle Member of the Chamber's Veteran Employment Advisory Council.

Learn more at: [verizon.com/about/careers/military](https://www.verizon.com/about/careers/military).

Verizon 2018 Corporate Responsibility Report



In 2018, we hired **1,122 veterans**

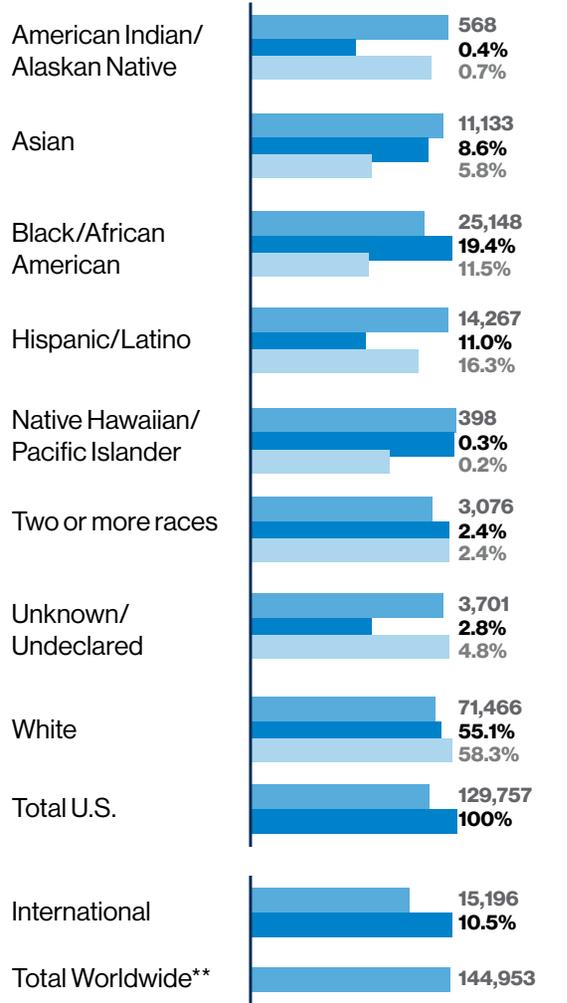
More than **10,300 veterans** serve our customers

In 2018, Verizon was named the **top military friendly** company for our commitment

# Verizon employees

as of 12/31/18\*

## Ethnic Groups

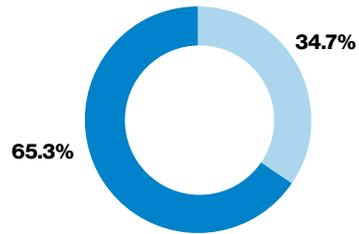


■ Total Workforce (2018) ■ % of Total Workforce ■ 2017 U.S. Labor Force

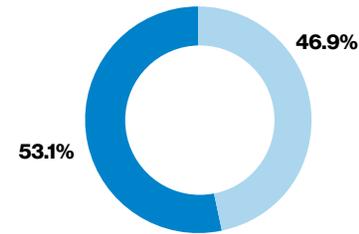
## Employee profile by gender

### U.S.

Percentage of total workforce

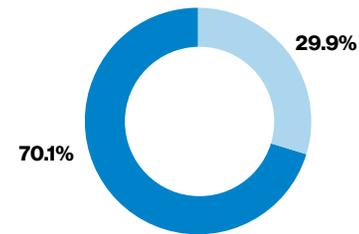


Percentage of U.S. labor force



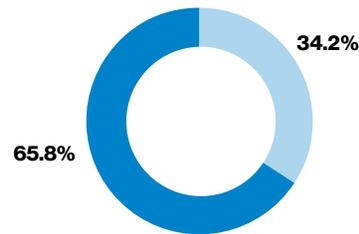
### International

Percentage of total workforce



### Total Verizon

Percentage of total workforce



■ Male ■ Female

\*These data points are inclusive of Verizon Media, previously OATH.

\*\* Total headcount including part-time employees.



People of color represent 30.7 percent of the total U.S. senior management base (vice president and above)



Women represent 31.3 percent of U.S. senior management (vice president and above)



# Dedicated to V Team success

Each year we invest hundreds of millions of dollars in initiatives to train employees and support their professional and leadership development. As part of our culture, we focus on purposeful learning to help V Teamers grow, advance and reach their full professional and career potential.

The Association for Talent Development's BEST Awards recognize companies for best-in-class employee talent development. Verizon ranked 4th in these rankings in 2018. We also were recognized as one of 20 companies that made this list for three years or more.

## Learning & development

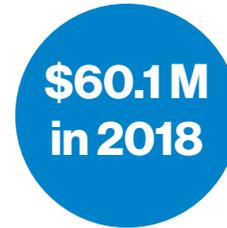
In 2018, we invested **\$235.3 million** in learning and development initiatives for our employees

V Teamers completed more than **5 million** hours of training in 2018

Employees have access to more than **16.9 thousand** learning experiences

## Tuition assistance

Verizon funding/participation



**15,813 V Team members**

V Team members are provided up to **\$8,000 annually** through our Global Tuition Assistance Program to fund higher-education studies to enhance their careers at Verizon

## V Team training

Average annual hours of training per team member





# Working with labor unions

We have a long history of working with the Communications Workers of America and the International Brotherhood of Electrical Workers— the two main unions that represent about 33,700 of our employees. We meet with national and local union leaders to talk about key business topics, including issues such as safety, customer service, plans to improve operational processes, our business performance and the impacts that changing technology and competition are having on our customers, our employees and the company. In 2018 we reached an agreement with the unions to extend the collective bargaining agreements covering the union-represented employees who serve customers in our Mid-Atlantic and Northeast service areas. These agreements, which were scheduled to expire on August 3, 2019, will now expire on August 5, 2023. In keeping with Verizon's history of providing high-quality service and good jobs, our agreements continue to provide our team members with competitive wages and valuable benefits that rate among the best in our industry.





# Promoting wellness in all aspects of life

We believe health, wellness and safety are fundamental to success, and provide comprehensive resources that help V Teamers and their families succeed in life.

## Our mental health and emotional wellness programs

- **Verizon’s Employee Assistance Program (EAP)** is available to V Teamers and their families 24x7x365.
- **Our Resilience Toolbox** provides resources that managers and V Teamers can use to support a teammate who may be struggling with challenges at work or home.

## Health care that’s high quality and affordable

Our benefits package provides access to high-quality, affordable health care coverage that includes medical, dental and vision care along with disability and insurance programs. In addition to our health and wellness centers, we promote a healthy V Team through a comprehensive range of on-site services delivered as part of our “Be Well, Work Well” programs. For example, in 2018:

- We invested **almost \$2.8 billion** to deliver health care benefits and services alone.
- We provided coverage to about **565,000** beneficiaries.
- **More than 4,500 employees** received a free health screening for cholesterol, blood sugar, blood pressure and body mass index.
- **More than 12,500 employees** received flu shots.
- **527 women age 40+** took advantage of the on-site mammography screenings.
- Our bi-weekly “Be Well, Work Well” electronic publication had more than **112,000 employee views** throughout the year, raising awareness on a range of topics for healthy living.

## Fitness: a focus for all

We provide V Teamers with access to a wide range of health and wellness resources at any time through the WellConnect portal. In 2018, more than **68,500 employees used the portal**, which maintains information on preventive care, tobacco cessation, physical activity, nutrition, mobile tools, wearable devices and much more.

## More than 26,500 participants logged into another valuable tool: their personalized “My Health Vault.”

It is the second most popular page after the homepage, where employees can check their personalized Health Assessment score, Health Screening results and Lifestyle Incentive Tracker to keep abreast of their health status, all in one place. Employees can receive free one-on-one sessions with a certified health coach from WebMD to create an achievable health plan to reach their goals.

V Teamers use our 31 Verizon Health and Wellness Centers to participate in fitness and wellness activities and have access to health and wellness information. During 2018 our centers:

- Had nearly **12,000 members**
- Conducted **7,233 events** focused on fitness, wellness and community
- Had coaches lead members through nearly **49,000 personal training or group training sessions**

In addition, onsite Run/Walk events were hosted at various locations with nearly **2,500 participants**. And more than 4,600 employees participated in other local charity/community walks/runs and corporate classic events coordinated by the health and wellness team.



# Applying best practices for working and living safely

Our culture of safety begins with our Be SAFE principles – Be Smart, Aware, Focused and Equipped. The principles emphasize keeping V Teamers safe at work, at home and on the road.

Verizon operates a health and safety management system that has been certified to the International Occupational Health and Safety Assessment Series (OHSAS) 18001:2007. We pride ourselves on continuous improvement to address the changing work environments of our employees. We updated 13 employee health and safety programs and created 15 new training courses in 2018; including online and instructor-led training to educate V Teamers about best practices and working safely with our ever-evolving technology. Topics included aerial lift operation, centralized radio area network integration, fiber splicing, pole climbing and ladder handling, fiber engineering and line construction.

In 2018 our occupational injuries and illnesses rate was 1.28 per 100 employees, nearly 50 percent below the Bureau of Labor Statistics telecommunications industry average of 2.4.

Verizon's commitment to a safe workplace and environmentally responsible work practices extends to the suppliers that perform services and supply products to us. These suppliers play a critical role in the company's success. Verizon works with them to ensure that they share our same level of commitment to the environment and health and safety (EHS) excellence.





## V Team | Pay & Benefits

# Delivering value to V Teamers and their families

Our competitive pay and valuable benefits provide security for V Teamers and their families.

Our pay and benefits package provides a competitive base pay, incentives, a profit sharing award and an industry-leading 401(k) savings plan that matches 6 percent of eligible pay. We provide high-quality, comprehensive medical, dental, vision, life insurance and disability coverage to our employees. Under our paid time off policy, V Teamers receive up to eight paid company holidays, up to six paid personal days and, depending on years of service, two to five weeks of paid vacation.

### Flexible and family-focused

In 2018 more than 10,000 V Teamers regularly leveraged our alternative work programs, such as flex-time, compressed work weeks and telework, a 42 percent increase over 2017. Our parental leave policy allows moms and dads to take paid leave to bond with their newborn or adopted child. The program provides eligible employees with up to eight weeks of paid leave, at 100 percent of base pay. Mothers of newborns can take as much as three months of paid time off.

Additional benefits include emergency backup childcare and eldercare service; the Bright Horizons Special Needs program for parents with special needs children; and the myStrength stress-reduction tool, offered as part of our comprehensive Employee Assistance Program.



More than **10,000** V Teamers leveraged our alternative work programs



Verizon was ranked **third** on Indeed's list of top-rated places to work for compensation and benefits.



## Supply Chain

# Source Responsibly



### In This Section

Supplier Code of Conduct	<b>50</b>
Supplier Performance & Diversity	<b>51</b>

At Verizon we are committed to using responsible sourcing practices for the more than \$50 billion in goods and services we annually procure around the world. These goods include handsets, accessories and network equipment. In pursuit of our responsible sourcing goals, we enforce our Supplier Code of Conduct. We also implement processes to regularly monitor the performance of our largest suppliers to assess their performance in four areas: environment, labor and human rights, fair labor practices and sustainable procurement.



## Supply Chain | Supplier Code of Conduct

We expect our suppliers to comply with our Supplier Code of Conduct, which means acting with integrity, obeying all applicable health, safety and environmental laws and protecting confidential and proprietary information.

### Our Supplier Code of Conduct also:



Forbids the use of child labor, forced labor and discrimination.



Protects employees' rights to freedom of association and collective bargaining, as permitted by local laws.



Describes how suppliers should work with us on compliance and enforcement issues.



Verizon reserves the right to review or audit our suppliers' compliance with the Supplier Code. We also incorporate ongoing compliance into our business relationships and procurement decisions.

Verizon employees receive training in social and environmental supply chain issues, including supplier assessment, through initiatives such as green bag sessions, monthly Green Insider newsletters and on-site recruiting and engagement events.

Our complete Supplier Code is available here: [verizon.com/about/our-company/supplier-diversity/supplier-code-of-conduct](https://www.verizon.com/about/our-company/supplier-diversity/supplier-code-of-conduct).

# Conducting supplier assessments

Verizon is committed to partnering with our suppliers to better the world collaboratively. We use EcoVadis and Avetta, third-party platforms, to assess our suppliers' corporate responsibility – their safety and environmental performance. Since 2013, we have invited 448 key suppliers to the EcoVadis platform. EcoVadis assesses four key areas: environment, fair labor practices, ethics and fair business practices, and supply chain. EcoVadis combines supplier questionnaire input with public data to benchmark suppliers on their corporate responsibility performance. When weaknesses are identified, Verizon works with the supplier to create a corrective action plan to improve their program. Both Verizon and our suppliers benefit from this program. Verizon's minimum goal is that 80 percent of the assessed suppliers will complete the EcoVadis assessment by 2020 and receive a passing score.

Avetta, an external qualifier of supply chain risk, reviews injury rates, environmental health and safety violations, fines, corrective actions, and other environment and safety performance metrics for Verizon's suppliers working in areas most prone to environmental and safety risks. Avetta compares the data to industry benchmarks and, when weaknesses are identified, Verizon works with contractors to review root causes and plan corrective actions. More than 2,500 Verizon contractors have been screened by Avetta.



**Our public goal:**

**80%**

of assessed suppliers compliant with CSR standards by 2020

Verizon is also a member of the Joint Audit Cooperation (JAC), an association of telecom operators that collaboratively audits their common suppliers and looks for opportunities to improve corporate social responsibility across the Information and Communications Technology industry. JAC supplements Verizon's supply chain CSR program by investigating suppliers' actual performance on site to ensure that they are living up to what they pledge in their policies. Since its inception in 2010, JAC has completed 482 on-site supplier audits – 116 in 2018. Verizon joined the group in 2013 as the first U.S.-based member and serves on both the Leadership Assembly and Operational Board. Other members include AT&T, Deutsche Telekom, KPN, Orange, Proximus, Rogers, Swisscom, Telecom Italia, Telefónica, Telenor, TeliaSonera, and Vodafone.





# Supply Chain | Supplier Performance & Diversity

## Conflict minerals

We encourage our partners to take steps to ensure that their products do not include materials that either directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (or in any adjoining country). Our Conflict Minerals Statement contains more information on our approach to this issue and is available here: [verizon.com/about/our-company/company-policies/conflict-mineral](https://www.verizon.com/about/our-company/company-policies/conflict-mineral).

## Delivering the promise of the digital world

We're working to use the power of digital technology to give people and society the ability to drive positive change, and we understand that in order to achieve this mission it is imperative that we collaborate with diverse suppliers and partners. That's how we'll deliver solutions and outcomes that meet the needs of a multicultural world, and we're committed to making diverse businesses an essential part of our value chain. These suppliers and partners help us connect with customers in new and innovative ways and contribute to our diverse communities, in an ever-evolving marketplace.

## Recognized for strong supplier diversity performance

Verizon has long been a recognized leader for supplier diversity. In 2018, we purchased more than \$5 billion in goods and services with diverse suppliers, including businesses owned by people of color, women, veterans, LGBT and people with disabilities. This brings our total spend to nearly \$25 billion over the past five years. Verizon is a charter member of the Billion Dollar Roundtable, a coalition of 28 companies that each spends more than \$1 billion every year with diverse suppliers.

We operate a robust set of supplier diversity initiatives that include designed collaboration with executive champions from across our business. This creates opportunities for diverse businesses, advocacy and outreach. You can read more about our supplier diversity program here: [verizon.com/about/our-company/supplier-diversity](https://www.verizon.com/about/our-company/supplier-diversity).



Our total spend with diverse suppliers was nearly **\$25 billion** over the past five years

We're proud to have earned numerous supplier diversity and inclusion awards.

### In 2018, these recognitions included:

- For the 13th consecutive year, recognized by the Women's Business Enterprise National Council as one of the **Top Corporations of the Year** for supporting women-owned businesses
- For nine consecutive years, Verizon has been included in the **United States Hispanic Chamber of Commerce's Million Dollar Club**, recognized for our commitment in doing business with Hispanic-owned business enterprises.
- U.S. Veterans Magazine listed Verizon as having one of the top supplier diversity programs as well as being a **top veteran-friendly company**
- Professional Woman's Magazine recognized Verizon as a **top employer**, a **top LGBT-friendly company** and for having a **top supplier diversity program**.



## Governance

# Monitor Effectively



### In This Section

Code of Conduct	<b>54</b>
Anti-corruption	<b>55</b>
Corporate Governance & Risk Management	<b>56</b>
Human Rights	<b>58</b>

Performing our work ethically and responsibly, ensuring that the expectations of our stakeholder are met, and conducting our business with integrity are central to who we are as a company. We have policies, processes and corporate governance structures in place to ensure that Verizon and our employees are upholding our ideals and that we make our culture of integrity even stronger.



# Governance | Code of Conduct

As our Credo states: We believe integrity is at the core of who we are. This principle governs every aspect of how we run our business, from how our Board of Directors operates to our engagement with stakeholders.

## The Code: Safeguarding the integrity of our business

We monitor conflicts of interest and require all employee to complete Verizon Code of Conduct training to safeguard the integrity of our business.

We maintain a comprehensive ethics and compliance program that's built on our Verizon Code of Conduct and includes ongoing educational communications, mandatory training and readily accessible tools. The Verizon Code of Conduct defines how we work. It establishes a set of guidelines aligned with the principles in our Verizon Credo and our core values of Integrity, Respect, Performance Excellence, Accountability and Social Responsibility. The Code helps V Teamers make sound job-related decisions that strengthen our culture of integrity.

Compliance with the Code and applicable laws and regulations is expected wherever V Teamers conduct business on behalf of Verizon. All employees must complete required Code training and apply its principles in their work. The Code outlines ethical and legal expectations in a number of areas, including:

- Maintaining an inclusive and healthy work environment
- Maintaining integrity and fairness in the workplace
- Protecting Verizon's assets and reputation
- Maintaining integrity and fairness in the marketplace

We also continue to share additional compliance and ethics-related communications with V Teamers, including training on privacy and information security for all employees.

A conflict of interest questionnaire is regularly completed by all Verizon employees at the director level and above, and by employees below the director level in targeted areas of the business.

An Environment, Health and Safety Attestation is completed each year by management showing their commitment to supporting their teams in following safe work procedures and environmental requirements for their job.

All V Teamers are encouraged to raise questions, report concerns and acquire any additional needed information about our ethics standards. V Teamers are provided with a suite of resources to help them fulfill our commitment to integrity, including:

- The VZ Compliance Guideline, available 24 hours a day at 844-VZGUIDE or 844-894-8433 in the U.S. and at (+) 800-0-624-0007 outside the U.S., online at [verizonguideline.com](http://verizonguideline.com); and via email at [vzguide@verizon.com](mailto:vzguide@verizon.com);
- Our Security Control Center, operated by our global security organization, which team members can reach 24 hours a day at 800-997-3287 in the U.S. and at 972-615-4343 outside the U.S. to report or inquire about issues ranging from international cybersecurity to legal compliance;
- Our Reporting/Inquiry Channel for accounting matters, managed by our Internal Audit group, which can be reached at [accountingcomplaints@verizon.com](mailto:accountingcomplaints@verizon.com) (or through the VZ Compliance Guideline); and
- Our Environment, Health and and Safety Hotline, for reporting emergencies, arranging for waste disposal or getting on-site help from the company's environmental and safety specialists, available 24 hours a day at 800-386-9639 (both in and outside of the U.S.).

*\* Excludes Verizon Media employees*



# Our zero-tolerance approach



Verizon enforces a zero-tolerance policy for unethical business practices, including bribery or corruption of any kind. V Teamers in relevant operational roles receive anti-corruption training and communications that clearly articulate our expectations, core principles and zero tolerance for corrupt activities or unethical business practices. Our training, which incorporates practical examples, helps employees understand and comply with various anti-bribery laws, including the U.K. Bribery Act and the U.S. Foreign Corrupt Practices Act.

We instruct employees to seek legal approval before giving anything of value to a public official. We supplement our general compliance training with targeted communications and in-person instruction on an as-needed basis.

### Properly addressing concerns

In 2018, environmental inspections at our facilities resulted in 212 notices from regulatory agencies – 31 more than in 2017. We attribute the increase to our improved reporting rather than to more incidents because most notices resulted from record keeping or administrative matters in California, not environmental harm. We continue our efforts to prevent environmental harm while taking steps to correct the record keeping.

### Stakeholder engagement: connecting with those we serve

Our long-standing Consumer Advisory Board (CAB), composed of diverse leading business and public-interest advocates, provides us with an unfiltered view of relevant technology, consumer, business and social issues at twice-yearly meetings. CAB members' perspectives and advice play a role in the development of many important Verizon policy and business decisions.

We strive to make it easy for our stakeholders to understand our positions and progress on issues that matter to them. In pursuit of that goal, we publish:

- A semiannual [Transparency Report](#), listing all the law-enforcement requests for customer information that we received in the U.S. and other countries in which we do business as of the publication date;
- A semiannual [Political Engagement Report](#), disclosing all of Verizon's PAC contributions, corporate political contributions and support for ballot initiatives, independent expenditures, and listing our public policy organizations' significant memberships in trade organizations; and
- The [Verizon Broadband Commitment](#), which outlines our commitment to an open internet that provides consumers with competitive broadband choices and internet access – when, where and how they want it.

# A diverse, independent and engaged board

Verizon is committed to the highest standards of corporate governance because we believe that good governance is essential to driving success, enhancing our reputation and building long-term, sustainable value for our shareholders and other stakeholders. Our Board of Directors oversees Verizon's business strategies, risk management, responsible business practices and succession planning with the assistance of four standing committees comprised solely of independent directors. All Board members stand for election annually and, with the exception of the Chairman and CEO, are independent directors. An independent lead director shares governance responsibilities with the Chairman and facilitates forthright communication and effective independent oversight of management's performance.

## Board diversity and refreshment

We believe that good governance starts with an independent, engaged and diverse Board. In 2018, one-third of our board members were women and nearly half were Hispanic or African American. Verizon's commitment to board refreshment is central to ensuring that the composition of our Board evolves along with our strategic needs for the future. The Board's **Corporate Governance and Policy Committee** regularly evaluates director skill sets to ensure the optimal combination of expertise is represented on the Board. In the last seven years, seven new independent directors have been elected to the Board, and the Corporate Governance and Policy Committee continues to actively oversee the recruitment of additional directors to ensure that this refreshment process continues.

## Overseeing strategy

Our Board is vigilant in the oversight of Verizon's long-term strategy. At each Board meeting, Directors engage our senior leaders in robust discussions about Verizon's strategic goals. It is with our corporate strategy and business priorities in mind that the **Human Resources Committee** determines the appropriate compensation structures and levels for our senior leaders to incentivize them to achieve these goals. To ensure Verizon has the financial ability to execute on our strategic plan, the **Finance Committee** monitors Verizon's capital needs and financing plans. In addition, in order gain a broader perspective on the environment in which Verizon competes, our directors participate in numerous activities outside the boardroom, including regular education sessions on topics central to the industry.

## Overseeing risk

We view Board oversight of Verizon's risk profile – in its strategic activity, business operations and deployment of capital – as fundamental to the well-being of our Company. Our directors ensure that Verizon's risk management policies and procedures are consistent with the Company's strategy and risk appetite, that these policies and procedures are effective and functioning as directed, and that management is fostering a culture of risk-aware decision making throughout the organization. Verizon has a robust, formalized business risk management reporting process that is overseen by the **Audit Committee** and designed to provide visibility to the Board on critical risks and risk mitigation strategies. The **Corporate Governance and Policy Committee** oversees Verizon's handling of business and reputational risks relating to Verizon's position and engagement on important public policy issues, including political contributions, lobbying, corporate social responsibility and sustainability, as well as individual events and incidents that may affect the Company's reputation. Our Board also regularly receives briefings on cybersecurity, privacy, product-related risks and "lessons learned" from completed mergers and acquisitions.



# A diverse, independent and engaged board

## Overseeing responsible business practices

We believe that a corporation that is purposefully operating at the intersection of economic, environmental and social accountability creates greater long-term value for its shareholders. In 2018, Verizon established a new management body called the **Verizon Responsible Business Council**, chaired by the CEO, to oversee the integration of responsible practices into our business as a core operating principle. The Chief Corporate Responsibility Officer reports on the Council's activities to the full Board at least annually.

## Overseeing succession planning and leadership development

Our Board recognizes that one of its most important duties is to oversee the development of executive talent and ensure continuity in Verizon's senior leadership, as well as the efficient succession of the CEO. **The Human Resources Committee** takes the lead in overseeing succession planning and assignments to key leadership positions, and regularly reports to the full Board during executive sessions. Our Board conducts an annual in-depth review of senior leader development and succession planning to assure that our processes support Verizon's strategic objectives. In 2018, the appointment of Hans Vestberg as CEO of Verizon was the culmination of a deliberate and thoughtful multi-year planning process.

Learn more about our governance practices in our 2019 proxy statement or on our website at [verizon.com/about/investors/sec-filings](https://www.verizon.com/about/investors/sec-filings).





# An unwavering commitment to human rights

Our [Human Rights Statement](#) articulates our respect for the broad principles outlined in the United Nations Universal Declaration of Human Rights.

To support our efforts to operate with respect for human rights, Verizon launched the Business & Human Rights Program (BHRP) in 2018. This Program, which is based on an initiative created ten years ago at Yahoo (prior to its acquisition by Verizon), strives to enhance our human rights due diligence by embedding human rights considerations into responsible business decision-making processes across the company.



The BHRP is characterized by executive commitment and a dedicated BHRP team, supported by partners throughout the business, working to perform assessments of the human rights impacts of business decisions. This work is informed by engagement with external networks and experts from around the globe in the field of business and human rights.

Our [Supplier Code of Conduct](#) mandates that our business partners and suppliers conduct their operations in an ethically responsible manner and in compliance with applicable law.



# ESG Data Center

# ESG Data Center

<b>Economic Impact</b>			
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Capital Investment (in billions)	16.7	17.2	17.1
Cash paid for income tax and other taxes paid (in billions)	4.9	7.4	12.6
Purchases from diverse suppliers (in billions)	5.1	5.0	4.8
Cash dividends paid to shareholders (in billions)	9.8	9.5	9.3
Pension and other retirement payments (in billions)	3.0	3.0	3.6
<b>Social Impact</b>			
<b>Verizon Innovative Learning schools</b>			
Participating schools since 2014	101	73	46
Participating students	52,649	43,683	28,662
Participating teachers	4,375	2,538	2,582
Employees serving as STEM mentors	4,300	1,400	—
<b>Disaster Response</b>			
Disaster recovery efforts donation	\$4.6 million	\$16.1 million	—
<b>Employee Volunteerism</b>			
Volunteer hours by Verizon employees in support of nonprofits	202,005	181,262	242,540
Amount donated by Verizon employees to schools and nonprofits	\$8,109,604	\$8,596,675	\$9.4 million
Amount donated through Verizon's Matching Gifts program	\$9,175,405	\$9,210,117	\$9.6 million
<b>Environmental Impact</b>			
<b>Energy</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Scope 1 emissions (CO <sub>2</sub> e metric tons)	376,735	372,496	445,704
Scope 2 emissions (CO <sub>2</sub> e metric tons)	4,522,261	5,529,727	5,529,153
Total Scope 1&2 emissions (CO <sub>2</sub> e metric tons)	4,898,996	5,632,222	5,974,897
Scope 3 emissions <sup>1</sup> (CO <sub>2</sub> e metric tons)	69,271	91,365	43,333
<b>Emissions Profile</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Electricity and other indirect sources (CO <sub>2</sub> e metric tons)	4,522,261	5,259,727	5,529,153
Vehicle fuels (CO <sub>2</sub> e metric tons)	237,848	241,942	295,334
Building and other fuels (CO <sub>2</sub> e metric tons)	138,887	130,554	150,370

<sup>1</sup> Exclusively business travel

# ESG Data Center

	2018	2017	2016
<b>Efficient mobility</b>			
Verizon charging locations with EV charging stations	61	49	36
Fleet fuel consumption (1,000 gallons)	25	24	26
<b>Renewable Energy &amp; Efficiency</b>			
Green energy used to power our operations over the past six years	20MW	20MW	24MW
LEED-certified stores	354	354	320
ENERGY STAR-certified buildings, including retail stores, offices and distribution centers	278	254	221
<b>Recycling</b>			
Pounds of network (telecom/battery/paper/cardboard) equipment recycled	89.5 million	76.9 million	67.8 million
Pounds of e-waste collected at recycling rallies since 2009	3.7 million	3.2 million	2.5 million
Pounds of e-waste collected at recycling rallies	500,289	741,731	308,771
Number of recycling rallies	53	49	50
Percentage of returned customer devices that were repurposed, reused or recycled	100%	100%	>90%
Percentage of returned accessories that were repurposed, reused or recycled	100%	100%	—
<b>Recycled Materials</b>			
Lead acid batteries	7,421,904	7,703,466	6,285,022
Other batteries	115,155	59,297	77,039
Paper/cardboard	7,800,658	85,595	42,078
Telecom equipment	41,380,963	30,401,462	22,536,090
Municipal recycling	32,007,469	38,243,200	38,832,400
International Telecoms equipment <sup>2</sup>	753,075	454,099	—
<b>Grand total</b>	<b>89,479,224</b>	<b>76,947,120</b>	<b>67,772,629</b>
<b>Water</b>			
Water usage reduction from 2016 baseline	8%	—	—
<b>Green Team</b>			
Green Team membership	27,000	24,920	20,226
Countries and territories served by Verizon and Verizon Green Team members	36	35	30
Green Team events held	274	251	221

<sup>2</sup> Note: International Telecoms Equipment was new data available in 2017

# ESG Data Center

<b>Workforce</b>			
<b>Ethnicity</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
American Indian/Alaskan Native (% of total workforce)	0.4%	0.5%	0.4%
Asian (% of total workforce)	8.6%	8.6%	7.2%
Native Hawaiian/Pacific Islander (% of total workforce)	0.3%	0.3%	0.3%
Black/African American (% of total workforce)	19.4%	19.0%	19.8%
Hispanic/Latino (% of total workforce)	11.0%	10.4%	10.6%
Two or more races (% of total workforce)	2.4%	2.3%	2.3%
White (% of total workforce)	55.1%	58.9%	59.4%
Unknown (% of total workforce)	2.8%	—	—
Total U.S. (% of total workforce)	100.0%	89.5%	91.2%
International (% of total workforce)	10.5%	10.5%	8.8%
<b>Gender</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>US employee profile by gender</b>			
Percentage of total workforce (male)	65.3%	65.5%	64.0%
Percentage of total workforce (female)	34.7%	34.5%	36.0%
<b>International employee profile by gender</b>			
Percentage of total workforce (male)	70.1%	69.8%	73.8%
Percentage of total workforce (female)	29.9%	30.2%	26.2%
<b>Gender worldwide</b>			
Percentage of total workforce (male)	65.8%	65.9%	64.8%
Percentage of total workforce (female)	34.2%	34.1%	35.2%
<b>Women &amp; People of Color</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Percentage of people of color in total US senior management base	30.7%	26.9%	27.9%
Percentage of women in US senior management (VP and above)	31.3%	29.7%	29.6%
Percentage of minority or women Board members	58%	58%	—



# ESG Data Center

<b>Veterans</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Number of veteran employees	10,300 plus	9,500 plus	10,000 plus
<b>Employee growth &amp; development</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Learning and development</b>			
Amount invested in learning and development initiatives for our employees	\$235.3 million	\$239.8 million	\$237 million
Training hours completed by V Teamers	5.0 million hours	5.5 million hours	6.2 million
Number of learning experiences that employees have access to	16.9 thousand	18.1 thousand	17.3 thousand
Average annual hours of training per team member	33.2	35.3	40.3
<b>Tuition assistance</b>			
Verizon funding for tuition assistance	\$60.1 million	\$77.0 million	\$82.1 million
Number of team members that took advantage of tuition assistance	15,813	19,388	19,803
<b>Health &amp; wellness</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Beneficiaries covered	about 565,000	600,000 plus	616,000 plus
<b>Safety</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Occupational injuries and illness rate	1.28 per 100 employees	1.30 per 100 employees	1.23 per 100 employees



# GRI Index

# GRI Index

Disclosure Number	Disclosure Title	2018 Response
<b>GRI 102: General Disclosures</b>		
<b>Organizational profile</b>		
102-1	Name of the organization	Verizon Communications Inc.
102-2	Activities, brands, products, and services	Verizon 2017 10-K, pages 3-16
102-3	Location of headquarters	Our Corporate Headquarters are located in New York, New York, while our Operational Headquarters are located in Basking Ridge, New Jersey.
102-4	Location of operations	<a href="http://verizon.com/about/careers/we-are-global">verizon.com/about/careers/we-are-global</a>
102-5	Ownership and legal form	Verizon Communications Inc. is a publicly held holding company, listed on the New York Stock Exchange (NYSE: VZ) and NASDAQ exchange (VZ).
102-6	Markets served	<a href="http://verizonenterprise.com/countries/">verizonenterprise.com/countries/</a>
102-7	Scale of the organization	Our economic impact <a href="http://verizon.com/about/sites/default/files/Verizon_Fact_Sheet.pdf">verizon.com/about/sites/default/files/Verizon_Fact_Sheet.pdf</a>
102-8	Information on employees and other workers	Verizon employees
102-9	Supply chain	Source Responsibly Supplier performance & diversity
102-10	Significant changes to the organization and its supply chain	There have been no changes to organization or supply chain during 2018.
102-11	Precautionary Principle or approach	Corporate Governance & Risk Management Verizon 2018 10-K, Risk Factors, page 17
102-12	External initiatives	CDP
102-13	Membership of associations	Global e-Sustainability Initiative (GeSI): <a href="http://gesi.org">gesi.org</a> Joint Audit Cooperation: <a href="http://jac-initiative.com">jac-initiative.com</a> Family Online Safety Institute: <a href="http://fosi.org">fosi.org</a>
<b>Strategy</b>		
102-14	Statement from senior decision-maker	CEO Message Leadership Q & A CSR Strategy
<b>Ethics and integrity</b>		
102-16	Values, principles, standards, and norms of behavior	Code of Conduct
<b>Governance</b>		
102-18	Governance structure	Corporate Governance & Risk Management



# GRI Index

Disclosure Number	Disclosure Title	2018 Response
<b>Stakeholder engagement</b>		
102-40	List of stakeholder groups	CSR Strategy
102-41	Collective bargaining agreements	Labor Relations
102-42	Identifying and selecting stakeholders	CSR Strategy
102-43	Approach to stakeholder engagement	CSR Strategy
102-44	Key topics and concerns raised	CSR Strategy
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	Verizon Delaware LLC Verizon Maryland LLC Verizon New England Inc. Verizon New Jersey Inc. Verizon New York Inc. Verizon Pennsylvania LLC Verizon Virginia LLC Bell Atlantic Mobile Systems LLC Cellco Partnership (d/b/a Verizon Wireless) GTE LLC GTE Wireless LLC MCI Communications Corporation Verizon Americas Inc. Verizon Business Global LLC Oath Inc.
102-46	Defining report content and topic Boundaries	CSR Strategy
102-47	List of material topics	CSR Strategy
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	There have been no changes in reporting during 2018
102-50	Reporting period	January 1, 2018 – December 31, 2018
102-51	Date of most recent report	2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	<a href="mailto:responsibility@verizon.com">responsibility@verizon.com</a>
102-54	Claims of reporting in accordance with the GRI Standards	Core
102-55	GRI content index	GRI Index



# GRI Index

Disclosure Number	Disclosure Title	2018 Response
102-56	External assurance	Data presented in Verizon's 2018 Corporate Responsibility Report are subject to internal reviews and, for selected content, external reviews. Ernst & Young provided independent external assurance on our 2018 Scope 1, 2 and 3 (exclusively corporate travel) greenhouse gas emissions and water consumption. The assurance reports can be accessed in the Environment section of this report.
<b>GRI 200: Economic</b>		
<b>GRI 203: Indirect Economic Impacts</b>		
103-1	Explanation of the material topic and its Boundary	Humanability <a href="http://humanability.com">humanability.com</a>
103-2	The management approach and its components	Humanability <a href="http://humanability.com">humanability.com</a>
103-3	Evaluation of the management approach	Humanability <a href="http://humanability.com">humanability.com</a>
203-1	Infrastructure investments and services supported	Humanability <a href="http://humanability.com">humanability.com</a> Disaster Response Accessibility
<b>GRI 300: Environmental</b>		
<b>GRI 301: Materials</b>		
103-1	Explanation of the material topic and its Boundary	Conserving resources, increasing diversion Recycling
103-2	The management approach and its components	Conserving resources, increasing diversion Recycling
103-3	Evaluation of the management approach	Conserving resources, increasing diversion Recycling
301-1	Materials used by weight or volume	Conserving resources, increasing diversion Recycling
<b>GRI 302: Energy</b>		
103-1	Explanation of the material topic and its Boundary	Environment 2018 CDP Response, Climate Change
103-2	The management approach and its components	Environment 2018 CDP Response, Climate Change
103-3	Evaluation of the management approach	Emissions & Carbon Intensity 2018 CDP Response, Climate Change



# GRI Index

Disclosure Number	Disclosure Title	2018 Response
302-1	Energy consumption within the organization	Renewable Energy Efficient Facilities & Logistics Efficient Mobility 2018 CDP Response, Climate Change
302-2	Energy consumption outside of the organization	Enabling Energy Efficiency
302-3	Energy intensity	Emissions & Carbon Intensity 2018 CDP Response, Climate Change
302-4	Reduction of energy consumption	Enabling Energy Efficiency Renewable Energy Efficient Facilities & Logistics Efficient Mobility 2018 CDP Response, Climate Change
<b>GRI 303: Water and Effluents</b>		
103-1	Explanation of the material topic and its Boundary	Water
103-2	The management approach and its components	Water
103-3	Evaluation of the management approach	Water
303-5	Water consumption	Water
<b>GRI 305: Emissions</b>		
103-1	Explanation of the material topic and its Boundary	Environment 2018 CDP Response, Climate Change
103-2	The management approach and its components	Environment 2018 CDP Response, Climate Change
103-3	Evaluation of the management approach	Emissions & Carbon Intensity 2018 CDP Response, Climate Change
305-1	Direct (Scope 1) GHG emissions	Emissions & Carbon Intensity Verizon CDP report
305-2	Energy indirect (Scope 2) GHG emissions	Emissions & Carbon Intensity Verizon CDP report
305-3	Other indirect (Scope 3) GHG emissions	Emissions & Carbon Intensity Verizon CDP report
305-4	GHG emissions intensity	Emissions & Carbon Intensity Verizon CDP report
305-5	Reduction of GHG emissions	Enabling Energy Efficiency Renewable Energy Efficient Facilities & Logistics Efficient Mobility Verizon 2018 CDP report



# GRI Index

Disclosure Number	Disclosure Title	2018 Response
<b>GRI 306: Effluents and Waste</b>		
103-1	Explanation of the material topic and its Boundary	Waste
103-2	The management approach and its components	Waste
103-3	Evaluation of the management approach	Waste
306-2	Waste by type and disposal method	Waste
<b>GRI 308: Supplier Environmental Assessment</b>		
103-1	Explanation of the material topic and its Boundary	Source Responsibly
103-2	The management approach and its components	Supply Performance & Diversity
103-3	Evaluation of the management approach	Supply Performance & Diversity
308-1	New suppliers that were screened using environmental criteria	Supply Performance & Diversity
<b>GRI 400: Social</b>		
<b>GRI 401: Employment</b>		
103-1	Explanation of the material topic and its Boundary	Workforce Profile Working with labor unions
103-2	The management approach and its components	Working with labor unions
103-3	Evaluation of the management approach	Working with labor unions
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pay & Benefits Promoting wellness in all dimensions
<b>GRI 403: Occupational Health and Safety</b>		
103-1	Explanation of the material topic and its Boundary	Safety
103-2	The management approach and its components	Safety
103-3	Evaluation of the management approach	Safety
403-9	Work-related injuries	Safety
<b>GRI 404: Training and Education</b>		
103-1	Explanation of the material topic and its Boundary	Employee Growth & Development
103-2	The management approach and its components	Employee Growth & Development
103-3	Evaluation of the management approach	Employee Growth & Development
404-1	Average hours of training per year per employee	Employee Growth & Development



# GRI Index

Disclosure Number	Disclosure Title	2018 Response
<b>GRI 405: Diversity and Equal Opportunity</b>		
103-1	Explanation of the material topic and its Boundary	Diversity & Inclusion Workforce Profile
103-2	The management approach and its components	Diversity & Inclusion
103-3	Evaluation of the management approach	Diversity & Inclusion
405-1	Diversity of governance bodies and employees	Workforce Profile Corporate Governance & Risk Management
405-2	Ratio of basic salary and remuneration of women to men	Diversity & Inclusion
<b>GRI 413: Local Communities</b>		
103-1	Explanation of the material topic and its Boundary	Education Education
103-2	The management approach and its components	Education Education
103-3	Evaluation of the management approach	Education Education
413-1	Operations with local community engagement, impact assessments, and development programs	Education Program Impact Education
<b>GRI 414: Supplier Social Assessment</b>		
103-1	Explanation of the material topic and its Boundary	Source Responsibly
103-2	The management approach and its components	Supply Performance & Diversity
103-3	Evaluation of the management approach	Supply Performance & Diversity Human Rights
414-1	New suppliers that were screened using social criteria	Supply Performance & Diversity
<b>GRI 415: Public Policy</b>		
103-1	Explanation of the material topic and its Boundary	2018 Political Contributions Report
103-2	The management approach and its components	2018 Political Contributions Report
103-3	Evaluation of the management approach	2018 Political Contributions Report
415-1	Political contributions	2018 Political Contributions Report





# GRI Index

Disclosure Number	Disclosure Title	2018 Response
<b>GRI 418: Customer Privacy</b>		
103-1	Explanation of the material topic and its Boundary	Privacy
103-2	The management approach and its components	Privacy Anti-Corruption
103-3	Evaluation of the management approach	Privacy
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy In 2018 Verizon did not receive any substantiated complaints concerning breaches of customer privacy or losses of customer data
<b>GRI 419: Socioeconomic Compliance</b>		
103-1	Explanation of the material topic and its Boundary	Anti-Corruption
103-2	The management approach and its components	Anti-Corruption
103-3	Evaluation of the management approach	Anti-Corruption
419-1	Non-compliance with laws and regulations in the social and economic area	In 2018, Verizon did not receive any notices of non-compliance with laws and regulations in the social and economic area