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Independent Accountants' Review Report

Management of Verizon Communications Inc.

We have reviewed Verizon Communications Inc.'s (Verizon) Schedule of environmental indicators (the Subject Matter) included in Appendix A for the year ended December 31, 2021 in accordance with the criteria also set forth in Appendix A (the Criteria). Verizon's management is responsible for the Subject Matter in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. As such, a review does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent of Verizon and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review engagement. Additionally, we have complied with the other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

The procedures we performed were based on our professional judgment. Our review consisted principally of applying analytical procedures, making inquiries of persons responsible for the subject matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances.



As described in Appendix A, the Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. Furthermore, Scope 3 emissions are calculated based on a significant number of estimations and management assumptions due to the inherent nature of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard criteria.

Based on our review, we are not aware of any material modifications that should be made to the Schedule of environmental indicators for the year ended December 31, 2021 in order for it to be in accordance with the Criteria.

Ernst + Young LLP

August 15, 2022



Appendix A

Verizon Communications Inc.

Schedule of environmental indicators

Subject Matter

For the year ended December 31, 2021

Indicator Name	Unit	Amount
Total energy consumed	Gigajoules (GJ)	40,802,503
Percentage grid electricity	%	87.1%
Percentage renewable energy	%	6.7%
Scope 1 greenhouse gas (GHG) emissions	Metric tonnes (MT) of CO ₂ equivalent (CO ₂ e) ¹	310,145
Scope 2 GHG emissions (location-based)	MT of CO ₂ e ¹	3,554,155
Scope 2 GHG emissions (market-based)	MT of CO ₂ e ¹	3,222,342
Scope 3 GHG emissions ²	MT of CO ₂ e ¹	15,267,192
Network traffic	Petabytes	231,365
Water withdrawal	Billions of gallons	2.02

Note 1: Verizon's GHG emissions are reported in CO₂e and are substantially comprised of CO₂.

Note 2: Within our Scope 3 GHG emissions, Categories 1 and 2 (purchased goods and services and capital goods) and Category 3 (fuel- and energy-related activities not included in Scope 1 and Scope 2) account for 90% of the emissions. Specifically, Categories 1 and 2 (purchased goods and services and capital goods) account for 12,434,570 MT CO₂e and Category 3 (fuel- and energy-related activities not included in Scope 1 and Scope 2) accounts for 1,362,756 MT CO₂e for the year ended December 31, 2021.

Criteria

Reporting Boundaries

Verizon has selected an organizational boundary based on operational control. Where available, energy, greenhouse gas emissions and water withdrawal are calculated for the fiscal year ended on the basis of actual (e.g., metered) data received as of March of the following year. In certain instances where actual data is not available, Verizon estimates usage data based on estimation methodologies defined in the Greenhouse Gas Protocol.

Verizon applies the minimum boundary for Scope 3 emissions as defined by The Greenhouse Gas Protocol Scope 3 Value Chain Reporting Standard and The Greenhouse Gas Protocol Scope 3 Technical Guidance.

Verizon works to capture all of its GHG emissions. However, it is not always possible to obtain all of the necessary information to complete all segments of the inventory. When information cannot be obtained in a timely manner, Verizon uses extrapolations to provide the most complete inventory possible. As data becomes available identifying additional material sources of emissions, they will be incorporated into the inventory. Certain emissions sources are currently excluded from the annual inventory, which are less than the materiality threshold indicated by The Greenhouse Gas Protocol Corporate Standard of five percent of the sum of Scope 1, 2 and 3 emissions. In accordance with the Greenhouse Gas Protocol, a one-year grace period is allowed for including new acquisitions in the reporting boundary. As such, Verizon has excluded the 2021 acquisition of TracFone Wireless, Inc. from its' reported metrics.

Energy

Total energy consumed is calculated based on Sustainability Accounting Standards Board (SASB) Standard for Telecommunications TC-TL-130a.1 for emissions sources included in scope 1 and 2 GHG emissions, namely natural gas, gasoline, diesel, jet fuel, propane, kerosene, compressed natural gas, B02, B05, B11, B20, E85, methanol, ethanol, electricity, steam and chilled water.

Percentage grid electricity is calculated based on SASB TC-TL-130a.1 as total electricity consumed as purchased from the grid (and reported for Scope 2 GHG emissions) divided by total energy consumed.

Percentage renewable energy is calculated based on SASB TC-TL-130a.1 as total renewable electricity generated on-site or purchased in the form of energy attribute certificates divided by total energy consumed.

Scope 1 GHG emissions

Scope 1 emissions reported include direct emissions from stationary and mobile fuel combustion from the follow sources:

• Natural gas	• B02
• Gasoline	• B05
• Diesel	• B11
• Jet fuel	• B20
• Propane	• E85
• Kerosene	• Methanol
• Compressed natural gas	• Ethanol

For all fuels, except natural gas and ethanol, only CO₂ emissions are reported.

Business-related fuel consumption from vehicles provided through enterprise sales compensation packages is deemed to be de minimis and therefore excluded from Scope 1 emissions.

Emissions factors used

- US EPA 2013 Revisions to the Greenhouse Gas Reporting Rule: 40 CFR Part 98 Subpart C, Tables C-1 and C-2 (released November 29, 2021)
- WRI GHG Protocol Emission Factor from Cross Sector Tools (March 2017) Stationary Combustion, Table 1-3 and Table 12

Scope 2 GHG emissions

Scope 2 emissions reported on the location-based and market-based method¹ include indirect emissions from the following sources and are calculated on the basis of actual (e.g., metered) and estimated data. The effect of renewable energy certificates purchased by Verizon through virtual power purchase agreements are accounted for in the market-based method.

- Electricity
- Steam

Emissions from chilled water are excluded.

Emissions factors used

- US EPA eGRID emissions factors are obtained from 2019 eGRID (released February 2021)
- International Energy Agency (IEA) 2019 CO₂ Emissions from Fuel Combustion Highlights Report, “CO₂ emissions per kWh from electricity generation” Table (released 2021)
- US Energy Information Agency (EIA) Voluntary Reporting of Greenhouse Gases Form EIA-1605(b), Appendix N: Emission Factors for Steam and Chilled/Hot Water (2010)

Scope 3 GHG emissions

Category	Methodology	Emissions factors	Exclusions
1 – Purchased goods & services 2 – Capital goods	Hybrid method: <ul style="list-style-type: none"> • Approximately 83% of emissions were calculated using an economic input-output (EIO) model, which accounts for the average GHG emissions per US dollar of economic value generated by major sectors of the US economy. Emissions are calculated by collecting Verizon’s spend data with suppliers on a cash basis (i.e., the economic value received by the reporting company), associating spend with product categories defined as of year-end and matching them against sectors covered by the EIO model. • Approximately 14% of emissions were calculated using a lifecycle assessment approach (LCA) which applies a product specific emissions 	<ul style="list-style-type: none"> • This EIO model uses emissions factors adapted by Carbon Trust (EIO emissions factors).² • LCA factors obtained from IVL³ or suppliers based on representative devices. • CDP supplier-specific emissions factors were calculated by using the supplier’s scope 1, 2 (location-based) and relevant scope 3 emissions, obtained from CDP data, and dividing it by total revenue. 	<ul style="list-style-type: none"> • Supplier spend for Verizon India

¹ Verizon’s scope 2 electricity emissions and contractual instruments are primarily in the US market.

² The analysis is based on financial spend and GHG emission factors, calculated per USD of economic value. The Carbon Trust database has a collection of economic input-output emission factors for 430 sectors of the economy. These factors are in units of kg CO₂e per USD, allowing the conversion of spend in a given sector to carbon emissions. They are further broken down into emissions from Scope 1&2, purchased goods and services, and upstream transportation and adjusted for applicability to category 1 boundaries. To account for the changes in emissions efficiency (for example, grid decarbonization) and inflation since the database was created, the EIO emission factors are updated accordingly, using changes in efficiency and inflation. This value is the kg CO₂e improvement per purchasing power parity (PPP) of GDP. Therefore, it accounts for both changes in emissions efficiency and PPP.

³ IVL Swedish Environmental Research Institute from www.ivl.se/vart-erbjudande/forskning.html

Category	Methodology	Emissions factors	Exclusions
	<p>factor, including the embodied emissions for specific devices, to the number of units purchased.</p> <ul style="list-style-type: none"> Approximately 3% of emissions were calculated by applying a supplier-specific emission factor (reported for fiscal year 2020) to Verizon's 2021 spend data with suppliers on a cash basis. 		
3 – Fuel and energy related activities	Emissions from fuel and energy related activities not included in scope 1 or 2 are calculated by using the fuel and electricity consumption figures reported for scope 1 and 2, with the relevant scope 3 well-to-tank and transmission and distribution emissions factors applied to each of those energy sources.	<ul style="list-style-type: none"> US EPA eGRID IEA CO₂ Emissions from Fuel Combustion Highlights Report UK Department for Environment Food & Rural Affairs (DEFRA) GHG conversion factors for company reporting 	
4 & 9 – Upstream and downstream transportation and distribution	Upstream transport and distribution emissions are calculated using individual shipment routes to the US. The data for each route includes the transport mode, number of shipments, total weight of shipments, and distance. Where shipment data is not available, the number of shipments was estimated based on average shipments per tonne for similar transport modes.	<ul style="list-style-type: none"> UK DEFRA GHG conversion factors for company reporting 	<ul style="list-style-type: none"> Vendor managed transportation is excluded. Same day shipping/courier service and domestic inter-office shipping are excluded.
5 – Waste in operations	Emissions from waste generated in Verizon's operations are calculated using weight of waste for lead acid batteries, other batteries, paper/cardboard, telecom equipment, municipal recycling, chemicals and landfill. Emissions factors used account for the end-of-life treatment of the waste, as well as the waste category.	<ul style="list-style-type: none"> UK DEFRA GHG conversion factors for company reporting 	
6 – Business travel	Emissions from business travel are calculated as follows: <ul style="list-style-type: none"> Air and rail travel emissions are calculated based on miles traveled. Ground transportation, hotel and lodging emissions are calculated based on car rental and car service spend using the EIO model. 	<ul style="list-style-type: none"> UK DEFRA GHG conversion factors for company reporting EIO emissions factors 	<ul style="list-style-type: none"> Air and rail transactions classified as "unknown" by the travel agency are excluded from the reported figure. Emissions related to ride sharing or use of employee vehicles are excluded. Travel booked outside of approved vendors is excluded.
7 – Employee commuting	For 2021, emissions from employee commuting are estimated using company employee information. A staff survey was conducted in 2016, which collected information on commuting transport modes, distance, and frequency, for a	<ul style="list-style-type: none"> UK DEFRA GHG conversion factors for company reporting "Carbon Trust: Homeworking: helping businesses cut costs" 	

Category	Methodology	Emissions factors	Exclusions
	non-statistical sample of Verizon employees. The emissions from these routes were calculated and averaged for each location (country and state). These average emissions were then applied to the employee numbers as of fiscal year end. For 2021, teleworking emissions were estimated based on the results of third-party surveys applied to Verizon's employee headcount.	and reduce their carbon footprint" Report	
8 – Upstream leased assets	Verizon has no upstream leased assets. All leased assets within our business are accounted for within our Scope 1 and 2 emissions.		
10 – Processing of sold products	Verizon purchases finished goods for use within our operations and sales to customers. No further processing of products is routinely required throughout or operations.		
11 – Use of sold products	Emissions from use of sold products are calculated for Verizon's wireless and network products sold to customers. Products are grouped into categories and the lifetime energy consumption of each category was calculated based on one of two methodologies: 1. The energy consumption was calculated using the battery capacity for a representative device and lifetime. 2. Power consumption per day, which is based on information available or assumptions about the average usage profile of devices throughout a day and energy consumption figures for different modes, as well as lifetime. For the top three emitting product categories (approximately 81%), power consumption was obtained from product specifications. The choice of applicable methodology is based on available information.	<ul style="list-style-type: none"> US EPA eGRID and adjusted eGRID factors over the lifetime of the product 	
12 – End of life of sold products	End-of-life emissions from sold products are calculated for all of Verizon's wireless and network products sold to customers. Products were grouped into categories and a representative weight per product is identified, which is multiplied by the total number of products sold to give a total weight per product type. The total weight was then multiplied by an end-of-life emissions factor for all devices, which was based on an average breakdown of waste type and waste disposal method for Verizon's products.	<ul style="list-style-type: none"> UK DEFRA GHG conversion factors for company reporting 	
13 – Downstream leased assets	Verizon has no downstream leased assets. All leased assets within our business are accounted for within our Scope 1 and 2 emissions.		
14 – Franchises	Franchises are not part of Verizon's business model and therefore this category is not relevant.		
15 – Investments	Any owned properties/assets are tracked as part of our overall portfolio and emissions activities are tracked directly.		

Note 1: US EPA eGRID emissions factors are obtained from 2020 eGRID (released January 2022).

Note 2: IEA CO2 Emissions from Fuel Combustion Highlights Report, "CO2 emissions per kWh from electricity generation" Table emissions factors are obtained from 2019 IEA (released 2021).

Note 3: UK DEFRA GHG conversion factors for company reporting are obtained from 2021 DEFRA (released January 2022).

Emissions Reporting Standards

Verizon calculates scope 1, 2 and 3 GHG based on the following standards:

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition by the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD)
- GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard by WRI
- Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (2007)
- The Climate Registry General Reporting Protocol, Version 3.0, May 2019
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition by the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD)
- The Corporate Value Chain (scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting Standard, by the WRI/WBCSD
- The Greenhouse Gas Protocol Scope 3 Technical Guidance
- The Science-based Targets Initiative Criteria Version 4.1, published April 2020

Network traffic

Network traffic is calculated according to SASB TC-TL-000.D and the estimation methodologies in Table 1 in TB divided by 1024. Where possible, Verizon uses actual network data throughput; in the event that actual data is unavailable, some network data might be extrapolated based on historical data, seasonality, expected growth or other business changes.

Table 1 - Terabytes of data traffic estimation methodologies by network

Business Segment	Network	Methodology
Wireless	EVDO + 1X PMD: These are the 3G mobile broadband technologies used by Verizon.	Data traffic is measured in megabytes (MB) for downlink (forward) and uplink (reverse) traffic across Verizon's Evolution Data Optimized (EVDO) and 1X Packet Mode Data (PMD) networks. MB are converted into total terabytes (TB) by using the binary conversion factor (1TB = 1024 ² MB).
Wireless	Voice	<p>Voice traffic is measured in centum call seconds (CCS) across Verizon's wireless network. CCS is a unit of traffic density that is equivalent to one call (including call attempts and holding time) in a specific channel for 100 seconds.</p> <p>CCS are converted into minutes of usage (MOUs) by dividing total CCS by 0.6 (1CCS = 1.66 pegs/min). MOUs are converted into bits by multiplying MOUs by 14,256 bits per second (bps) and then multiplying by 60 seconds per minute. A wireless voice call generates 9,600 bps and it is assumed that the activity factor is 90% (0.45 uplink and 0.45 downlink) and the hand-off factor is 1.65 (9,600 bps * 90% * 1.65 = 14,256 bps). Bits are converted into bytes by dividing by 8 (bits/byte) and then to total terabytes (TB) by using the binary conversion factor (1TB = 1024⁴ bytes).</p>

Business Segment	Network	Methodology
Wireless	Long-term evolution: This is the high speed 4G network.	Data traffic is measured in megabytes for downlink (forward) and uplink (reverse) data traffic across Verizon's 4G LTE network. MB are converted into total TB by using the binary conversion factor (1TB = 1024 ² MB).
Wireless	5G Fixed and Wireless	Data traffic is measured in megabytes for downlink (forward) and uplink (reverse) data traffic across Verizon's 5G Fixed Wireless network. MB are converted into total TB by using the binary conversion factor (1TB = 1024 ² MB).
Wireline Telecom	Transport: This network consists primarily of point to point data transport services sold to small and medium businesses, large corporations, government or individual customers in the US (In Franchise = Verizon Network)	Data traffic was measured in bps by multiplying the monthly billed circuit counts by standard bandwidth rates per circuit type. 100% utilization over each circuit was assumed. The circuits included are the following: ISDN-PRI (Integrated services digital network - Primary rate interface), DS1, DS3, OC3, OC12, OC48, OC192 SONET (synchronous optical networking) and VON_10M_100M_Gain. Bits per second are converted into total TB by using the binary conversion factor (1TB =1024 ⁴ bytes).
Wireline Telecom	Switched Ethernet Service (SES): This network includes metropolitan Ethernet data services in the US.	Data traffic is measured in bytes per second (Bps) for all egress (output) data transferred from aggregation switches (AS) to edge switches (ES), aggregation switches to OLT-SNI (Optical line termination – service node interface) ports and aggregation switches to customer circuits (CC). Data traffic is collected daily by polling each interface on all AS devices in this network. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 ⁴ bytes).
Wireline Telecom	Video- Broadcast: This network includes video broadcasts through FiOS cable services in the US.	Data traffic is measured in megabits per second (Mbps) for all egress data transferred across all broadband multiplex routers (BMRs). Data traffic is collected daily by polling directly all BMR ports. On a monthly basis, average monthly data traffic per device is estimated by adding daily traffic captured for the entire month and dividing it by the number of days for which data was collected in that given month. Then the averages for each device are summed at month-end and multiplied by total number of days in that given month to obtain total traffic (in Mbps). The Mbps are converted into total TB by using the binary conversion factor (1TB = 1024 ⁴ bytes).

Business Segment	Network	Methodology
Wireline Telecom	Video on Demand (VOD): This network includes video streaming services (pay per view, subscription or free) available only to FiOS Video customers in the US.	<p>Data traffic is measured in megabits per second (Mbps) for average ingress (input) data received at the video aggregation routers (VAR) from the video distribution routers (VDR).</p> <p>Data traffic is collected daily by sample polling each interface on all VAR devices connected to a VDR every five minutes. The Mbps are converted into TB by using the binary conversion factor (1TB = 1024⁴ bytes).</p>
Wireline Telecom	Frame Relay (FR), Asynchronous Transfer Mode (ATM): This network provides local DSL (digital subscriber line) services in the US.	<p>Data traffic is measured in cell counts for all egress data transferred across the FR/ATM switches.</p> <p>Cells are of a fixed length of 53 octets (or bytes). Cell counts are converted into bytes by multiplying cell counts by 53 octets (or bytes). Bytes are converted into TB by using the binary conversion factor (1TB = 1024⁴ bytes).</p>
Wireline Telecom	Voice: This network includes legacy Voice services provided by Verizon.	<p>Data traffic is measured in minutes of usage (MOUs) for calls originating in Verizon's Telecom network (VZT), transit calls that do not originate or terminate on the VZT network, and calls terminating on the VZT network that originated outside the VZT network. MOUs are captured hourly through all US class 5 and 4/5 access switches.</p> <p>The voice channels transporting this data have a maximum circuit capacity (or bandwidth rate) of 64,000 bps. MOUs are converted into bps by multiplying total MOUs by 60 seconds per minute and by 64,000 bps. The bps are converted into Bps by dividing the bps by 8 bits per byte. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024⁴ bytes).</p>
Wireline Business	Domestic Public Internet Protocol (IP): This network includes enterprise and residential public wireline services such as, FiOS internet, high speed internet (DSL), partner ports, peering and security in the US.	<p>Data traffic is measured in megabits per second (Mbps) as the average of ingress and egress from backbone to edge routers domestically (US).</p> <p>Data traffic is collected daily by sample polling the interface from backbone to edge routers every five minutes. The Mbps are converted into total TB by using the binary conversion factor (1TB = 1024⁴ bytes).</p>
Wireline Business	International Public Internet Protocol (IP): This network includes enterprise and residential public wireline services in Latin America, Asia, Europe, Canada and Mexico.	<p>Data traffic is measured in megabits per second (Mbps) as the average of ingress and egress from backbone to edge routers internationally (Latin America, Asia, Europe, Canada and Mexico).</p> <p>Data traffic is collected daily by sample polling the interface from backbone to edge routers every five minutes. The Mbps are converted into total TB by using the binary conversion factor (1TB = 1024⁴ bytes).</p>

Business Segment	Network	Methodology
Wireline Business	Transport: This network consists primarily of point to point data transport services sold to customers as defined by circuit and speed, typically medium to large businesses globally. (Out of Franchise – Legacy VZB network)	<p>Data traffic is measured in billed bandwidth (gigabits/second) to customers. For 2021, data traffic was reported based on the inputs and data available from the monthly volume reports. These reports are pulled on approximately the second week of the following month. 100% utilization is assumed over each circuit. The product categories included are the following: core synchronous optical networking (SONET), core time division multiplexing (TDM), strategic SONET and strategic wave. Gigabits/second are converted into total TB by using the binary conversion factor (1TB = 1024 gigabytes). *</p> <p><i>*In 2021, Verizon updated the report it used for measuring transport that resulted in additional network traffic being captured.</i></p>
Wireline Business	Private Internet Protocol (PIP): This network provides voice, data and video applications over an integrated network infrastructure. It offers e-commerce, voice over IP (VoIP), converged solutions, shared intranets and extranets to private businesses globally.	<p>Data traffic is measured in Bps for all ingress data transferred across all PIP edge routers. Data traffic is collected daily by polling the network every 15 minutes.</p> <p>Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024⁴ bytes), bytes being the total ingress octets for the month.</p>
Wireline Business	Voice: Includes competitive local exchange carrier (CLEC), long-distance and international networks.	<p>Data traffic is measured in minutes of usage (MOUs) for all calls originating in Verizon's Business network (VZB), transit calls that do not originate or terminate on the VZB network, and calls terminating in the VZB network that originated outside the VZB network for competitive local exchange carrier (CLEC), long-distance and international services. MOUs are captured hourly through all US class 5 and 3 switches. The voice channels transporting this data have a maximum circuit capacity (or bandwidth rate) of 64,000 bps. MOUs are converted into bps by multiplying total MOUs by 60 seconds per minute and by 64,000 bps. Bits are converted into Bps by dividing the bps by 8 bits. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024⁴ bytes).</p>

Business Segment	Network	Methodology
Wireline Business	Converged Packet Access (CPA): This network converges multiple services, IP, Ethernet, private line data and voice, over a single Ethernet interface. This network can deliver Ethernet access in bandwidth speeds ranging from 1 Mbps to 10 Gbps in various bandwidth increments.	Data traffic is measured in Bps as the average of ingress and egress data transferred across all CPA edge routers. Data traffic is collected daily by polling every edge router every 15 minutes. Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 ⁴ bytes).

Water withdrawal

Water withdrawal (in billions of gallons) is based on criteria established by the Global Reporting Initiative (GRI) Standard 303-3⁴, total volume of water withdrawn from municipal water utilities⁵ for all sites that use municipal water within Verizon's operational control. The amounts have been prepared based on:

- Pro-rated monthly domestic and international billed consumption data for the fiscal year ended received from utility providers and property management companies as of March of the following year.
- Estimated usage calculated by applying Verizon's water usage intensity (WUI) factors (in kgal per square foot), by region (US state averages and US total average) and facility type, to sites⁶ without billed data available.

The WUI factors are derived from billed consumption and square footage data available from comparable US sites.⁷

- For US sites without billed data, the state average WUI factors by facility type are applied when available. Otherwise, the US average WUI factors by facility type are used.
- For international sites without billed data, the US average WUI factor by facility type is applied.
- For sites without billed data and unknown square footage, estimated square footage is calculated based on known square footage from similar facility types. The WUI factors are then applied as described above.

Note on Non-Financial Reporting

Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

⁴ The reference to GRI metrics means that Verizon is aligned with a portion of the GRI criteria.

⁵ Does not include surface, ground or rain water.

⁶ Sites that use water (e.g., administrative offices, retail stores, data centers, central offices, equipment, garage and warehouses and motor vehicle maintenance centers) are included. Sites that do not routinely use water (e.g., network cabinets and huts, microwave equipment, towers and antennas) are excluded from the estimate.

⁷ Sites with billed consumption but unknown square footage data are excluded from the WUI calculation.