

## **Lobbying Expenditures Disclosure - Climate 2018 – AT&T Inc.**

**WHEREAS**, we believe in full disclosure of our company's direct and indirect lobbying activities and expenditures to assess whether our company's lobbying is consistent with AT&T's expressed goals and in the best interests of shareholders.

**RESOLVED**, the stockholders of AT&T request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by AT&T used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. AT&T's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management's and the Board's decision making process and oversight for making payments described in section 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which AT&T is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on AT&T's website.

**Supporting Statement:** As stockholders, we encourage transparency and accountability in AT&T's use of corporate funds to influence legislation and regulation, both directly and indirectly. According to Senate reports, AT&T spent \$80.3 million between 2012 and 2016 on federal lobbying activities. This figure does not include lobbying expenditures to influence legislation in states where AT&T also lobbies, but disclosure is uneven or absent. For example, AT&T spent \$4.2 million lobbying in California in 2015 and 2016. (<http://cal-access.ss.ca.gov/>).

AT&T does not disclose its memberships in, or payments to trade associations, or the portions of such amounts used for lobbying. Company assets could be used for objectives contrary to AT&T's long-term interests. AT&T sits on the board of the Chamber of Commerce, which has spent approximately \$1.3 billion on lobbying since 1998. While AT&T recognizes climate change is a serious concern warranting meaningful action, the Chamber publicly attacked the EPA's solutions addressing climate change.

AT&T is also actively involved in the Business Roundtable (BRT) which is lobbying and leading a campaign attacking investor's rights to file shareholder resolutions. AT&T's dues to the BRT help support questionable campaigns like the BRT's.

And AT&T does not disclose its membership in tax-exempt organizations that write and endorse model legislation, such as American Legislative Exchange Council (ALEC). ALEC has promoted legislation to repeal state renewable energy standards. More than 100 companies, including Emerson Electric, General Electric, Google, Sprint and T-Mobile, have publicly left ALEC because of their public policy advocacy.

This resolution received over 35% vote in 2017.