AT&T UK
Pay Gap Report

2018*

*Data for 6 April 2017 - 5 April 2018

Recent acquisitions of the WarnerMedia divisions are not included in these figures as they were not part of AT&T at the reporting date.
UK Gender Pay Overview

Great companies need great talent at every level to achieve their full potential. The best leaders understand that diverse teams deliver better outcomes…and that inclusion is fully engaging all employees who bring different backgrounds, skills, education and ways of thinking to the workforce.

That’s our commitment at AT&T.
The Stats: AT&T in the UK

AT&T’s UK gender pay data as of 5 April 2018

<table>
<thead>
<tr>
<th></th>
<th>MEAN</th>
<th>MEDIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Pay Gap</td>
<td>14.9%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Gender Bonus Gap</td>
<td>27.9%</td>
<td>25.9%</td>
</tr>
</tbody>
</table>

Proportion of females and males in each quartile pay band

- Upper: Females 17.0%, Males 83.0%
- Upper middle: Females 18.4%, Males 81.6%
- Lower middle: Females 22.7%, Males 77.3%
- Lower: Females 34.2%, Males 65.8%

Proportion of females and males receiving a bonus payment in the bonus year 6 April 2017 to 5 April 2018

- Females: 97.3%
- Males: 91.3%

Recent acquisitions of the WarnerMedia divisions are not included in these figures as they were not part of AT&T at the reporting date.
Stats for our main employing legal entities in the UK

The data for our main employing legal entities in the UK as of 5 April 2018

### AT&T Global Network Services (UK) B.V.

<table>
<thead>
<tr>
<th>At a glance</th>
<th>MEAN</th>
<th>MEDIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Pay Gap</td>
<td>8.9%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Gender Bonus Gap</td>
<td>25.6%</td>
<td>7.9%</td>
</tr>
</tbody>
</table>

### AT&T ISTEL

<table>
<thead>
<tr>
<th>At a glance</th>
<th>MEAN</th>
<th>MEDIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Pay Gap</td>
<td>21.2%</td>
<td>25.4%</td>
</tr>
<tr>
<td>Gender Bonus Gap</td>
<td>31.4%</td>
<td>43.6%</td>
</tr>
</tbody>
</table>

#### Proportion of females and males at AT&T receiving a bonus payment in the bonus year 6 April 2017 to 5 April 2018

**Females**
- 95.0%

**Males**
- 88.6%

#### Proportion of females and males in each quartile pay band

- **Upper**
  - Females: 86.4%
  - Males: 76.2%

- **Upper Middle**
  - Females: 88.0%
  - Males: 63.1%

- **Lower Middle**
  - Females: 82.7%
  - Males: 58.3%

- **Lower**
  - Females: 80.7%
  - Males: 40.5%

---

1 AT&T had a third legal entity in the UK with employees, as at 5th April 2018, which is below the threshold for gender pay reporting purposes. Recent acquisitions of the WarnerMedia divisions are not included in these figures as they were not part of AT&T at the reporting date.
So what’s behind the numbers?

The UK gender pay gap (GPG) methodology is one of many ways to review differences in gender pay. The GPG calculation is the difference between female and male average earnings across an entire organization. However, it does not take into account whether employees hold similar jobs, have the same experience, have similar tenure, live in the same geographic area or work the same hours.

Regardless, AT&T’s mean and median UK gender pay gaps have each reduced by just over 3% since the 2017 figures. Mean and median bonus gender gaps have also reduced. The proportion of employees who received a bonus in our 2018 figures has shown a slight decline, due to the timing of M&A activities which increased headcount in the GPG reporting period but after our annual bonus cycle had concluded.

As we reported last year, AT&T is a technology company with many technical roles that are typically higher paid and often attract more males than females. And we continue to have lower-than-average attrition rates, and above-average tenure for both females and males (with average male tenure being longer), compared to national averages. This reflects a strength – that AT&T is a great place to work – however, it may reduce the frequency of vacancies, job changes or promotions.

While there are still fewer female employees in our sales teams and in our most senior level jobs there have been some changes in the makeup of both that have positively impacted our GPG figures.

Recent acquisitions of the WarnerMedia divisions are not included in these figures as they were not part of AT&T at the reporting date.
What are we doing to ensure a diverse workforce in all jobs?

<table>
<thead>
<tr>
<th>HIRING</th>
<th>DEVELOPMENT &amp; RETENTION</th>
<th>THE NEXT GENERATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive, externally reviewed,</td>
<td>Employee Networks that focus on women, for personal and professional development</td>
<td>External mentoring programs inspiring young women to enter traditionally male-dominated fields</td>
</tr>
<tr>
<td>market-based pay scales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruitment strategies to attract</td>
<td>Mentoring programs, with many women participating</td>
<td>Job shadowing, work experience and career skills workshops for students</td>
</tr>
<tr>
<td>applications from diverse talent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rigorous processes to ensure fairness</td>
<td>Reskilling program to train and prepare current employees for future STEM jobs</td>
<td></td>
</tr>
<tr>
<td>in hiring and compensation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Flexible working arrangements and generous return to work benefits</td>
<td></td>
</tr>
</tbody>
</table>

Visit AT&T’s Diversity & Inclusion website for more information on our workforce diversity.
We confirm that AT&T’s gender pay gap data in this report is accurate.

Michael Springham  
Director of AT&T ISTEI and AT&T Global Network Services (UK) B.V.

Julie Fowler  
Assistant Vice President – International Human Resources