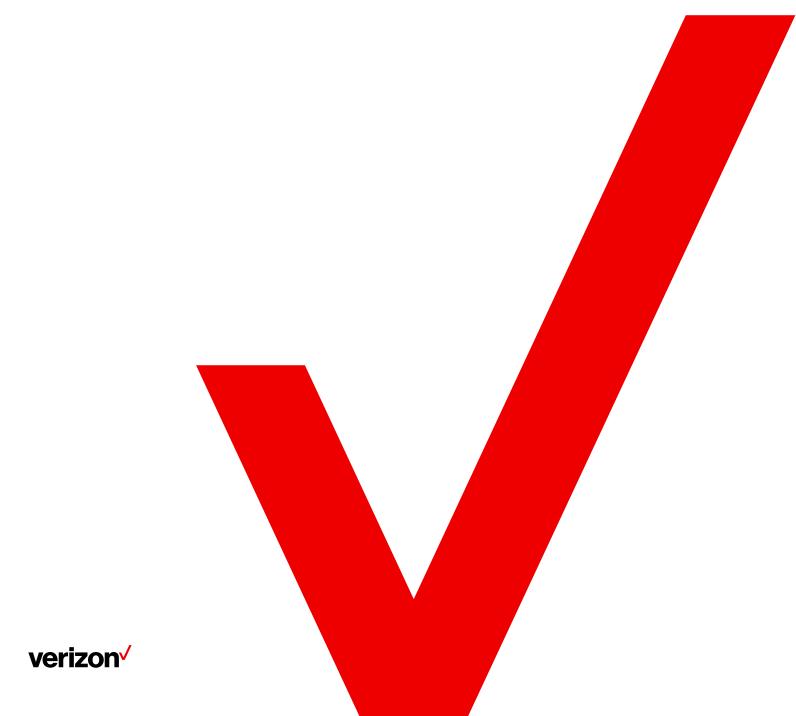
Child Rights Impact Assessment

Executive Summary



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Introduction Verizon Communications, Inc. (Verizon) is one of the world's leading providers of technology and communications services to consumers, businesses and governmental agencies. The company's customers range from individual wireless consumers in the United States to global multinational enterprises.

> Verizon is committed to operating with respect for internationally recognized human rights, as set forth in its Human Rights Statement. Verizon understands that implementation of its human rights commitments should focus particular attention on the rights and needs of the most vulnerable populations, including children.

Overview of In 2020 and 2021, Verizon undertook a holistic Child Rights Impact Assessment **the CRIA** (CRIA) of its business with the objective of informing and supporting its work in identifying, preventing and/or mitigating risks to child rights across its business operations and in the context of both current and emerging technologies, as well as to identify opportunities to support children's rights as part of its core business strategy.

> The CRIA gave special focus to risks relating to child sexual abuse and exploitation (CSEA) given the seriousness of this issue and the importance afforded to managing risks in this area by Verizon's stakeholders, including investors. The CRIA also evaluated areas within which Verizon has opportunities to have positive impacts on the rights of children.

> Verizon engaged an external consultancy with expertise in child rights issues. Threefold Sustainability, to conduct the CRIA. Verizon's Business & Human Rights Program (BHRP) and Digital Safety function worked together to facilitate the work of the assessors. The BHRP leads Verizon's approach to human rights governance, and the Digital Safety function focuses on parental education and child safety. Both the BHRP and the Digital Safety function are housed within Verizon's ESG Group.

Verizon has prepared this executive summary of the CRIA's findings and recommendations and steps Verizon is taking to respond.

Methodology

The Threefold Sustainability team combined desktop research with access to Verizon's internal documents. Threefold Sustainability was also informed by extensive engagement with both internal and external stakeholders. The assessors interviewed more than 20 Verizon employees and 12 external experts including individuals with expertise on child rights, child safety, child labor, and child sex trafficking; UN bodies; and industry associations. The views of the rights holders, children, were introduced through interviews of child rights advocates, which included attention to the guidance they provide to businesses as well as the research they carry out on children in the digital environment.

The assessors considered child rights as they are defined in the UN Convention on the Rights of the Child and its General Comment 25 on Children's Rights in relation to the Digital Environment. The CRIA was also informed by the Children's Rights and Business Principles as well as guidance on child rights and business practices produced by UNICEF and others, including specifically for the technology sector.

Potential Child

The CRIA assessed Verizon's potential impacts on children across all aspects of its **Rights Issues** operations, including impacts in connection with: the company's products and services; its role as a large employer of parents and caregivers; initiatives on access. accessibility, and education; and the company's supply chain. The assessors found that, as a telecommunications and technology company, Verizon's most salient child rights issues, impacts and opportunities exist within the digital environment. Identified issues included:

> • **Digital access, inclusion and skills -** The connectivity that communication companies such as Verizon provide can open up a world of opportunity for children and young people to exercise their rights. Enabling access to the digital environment is an important way Verizon can impact children's rights. Children also require basic digital skills education in order to access essential online services and use technologies in responsible ways. Accessibility for children with disabilities is also important for their participation as equals in digital environments.

Digital child safety

- Child Sexual Exploitation and Abuse Through the connectivity and services that Verizon provides, there is the risk that children will encounter harmful content, contacts, or conduct, CSEA is one of the most severe digital safety risks and includes behavior such as contacting, grooming, or trafficking children, as well as sharing and storing child sexual abuse material (CSAM). Especially in instances where it hosts content, Verizon has an important role to play in combating CSEA.
- Impacts to Children's Privacy Children are consumers in digital environments. Additional protections for children's data may be necessary when products and services collect and use children's data. To help parents and children make informed decisions, information about privacy practices should be communicated clearly and easily accessible.
- **Product design -** The design and set-up of child-and family-directed products should take into account impacts on children. In addition to the digital safety considerations discussed above, the design of products should take into account children's agency or evolving capacities, which may impact children's privacy, free expression, and ability to access information. This is particularly relevant for children in certain vulnerable groups.

Recommendations

Threefold Sustainability's recommendations to Verizon included:

- Continue to invest in robust governance structures to support efforts to manage child rights and safety issues;
- Strengthen child rights commitments within relevant Verizon policies;
- Deepen integration of child rights issues into review processes associated with product development, mergers & acquisitions, marketing, partnerships, and sponsorships;
- Continue to address known online risks and harms including through ongoing investment in Verizon's mechanisms for scanning for CSAM;
- Consider safety considerations and children's evolving capacities in product design;
- Continue to identify opportunities to engage and educate parents on digital safety matters;
- Strengthen transparency, disclosures, and external engagement on children's rights and safety issues;
- Continue to assess child labor risks in Verizon's supply chain and address as needed:
- Assess and strengthen child safeguarding mechanisms where relevant; and
- Continue to support digital inclusion and the development of children's digital citizenship and safety skills.

Response

Verizon's The assessment affirmed that the governance structures that Verizon has in place to support efforts to manage child rights and child safety matters, through dedicated expertise and executive and Board oversight, are strong. The CRIA also affirmed that the collaboration between the BHRP and the Digital Safety function is valuable, enabling a holistic assessment of child rights and safety risks across the company's operations.

> Verizon's dedicated BHRP is the cornerstone of our approach to human rights governance. The BHRP leads Verizon's efforts to make responsible business decisions that take account of the company's human rights impacts and opportunities. These efforts include attention to child rights. This work is overseen by Verizon's Executive Vice President and Chief Administrative, Legal and Public Policy Officer and the Corporate Governance and Policy Committee of Verizon's Board of Directors.

The CRIA made recommendations for Verizon's efforts going forward, including continued internal focus on applying a child rights lens to the review of products and services and supporting children through our social impact work. It also deepened our understanding of touchpoints to child rights issues across our business, and enabled our BHRP and Digital Safety function to form new relationships with external experts in child rights and digital safety.

Based on the findings, we have taken the following actions:

- Committed to continue to build and strengthen our governance of child rights and child safety by deepening the collaboration between our Business & Human Rights and Digital Safety teams.
- More directly articulated our commitment to children's rights within the context of our wider commitment to human rights in our public disclosures.
- Strengthened work with key internal teams across the company to surface and address considerations related to children's rights.
- Built new triggers and ways to identify child rights and child safety issues into existing diligence and review processes for products, services, and strategic transactions.
- Initiated review of relevant internal policies and guidelines to consider opportunities to reflect understandings of children's rights, including policies related to content.
- Initiated an effort to review guidance and practices related to child safeguarding in relevant contexts.
- Strengthened our efforts to educate parents about digital safety issues, including by expanding parental education materials in our Parenting in a Digital World Portal to encourage recognition of children's evolving capacities over time when engaging with the online world.
- Expanded our ongoing stakeholder engagement and built new relationships with expert organizations to increase our capacity to understand and manage child rights issues relevant to our business and to help bring children's voices into our human rights and digital safety work.
- <u>Published a case study</u> on our experience conducting our CRIA and lessons learned in collaboration with the Global Child Forum to serve as an example for other companies considering similar efforts.
- Increased our transparency on child rights issues by publishing information on our human rights website and issuing this executive summary detailing our learnings from our impact assessments for the first time.

We will continue to assess the findings of our CRIA and to determine areas for progress over time. We look forward to leveraging the relationships we built in this process to support us in our efforts.