

***GREEN
BOND
REPORT***

A large, bold, red checkmark graphic that is partially overlaid by the text 'GREEN BOND REPORT'.

Verizon completes final allocation of its first green bond

In February 2019, Verizon became the first U.S. telecom company to issue a green bond. The bond offering raised nearly \$1 billion in net proceeds for renewable energy, energy efficiency, green buildings, sustainable water management and biodiversity and conservation. Verizon's green bond framework of eligible green investments is aligned with the International Capital Market Association's Green Bond Principles 2018.

As of July 2020, Verizon had fully allocated the net proceeds of the green bond. We initially allocated approximately \$500 million of net proceeds in 2019 to renewable energy, energy efficiency, green building and biodiversity projects. Our allocations during 2020 were made to renewable energy and consisted of additional renewable energy purchase agreements that we entered into as part of our effort to meet our commitment to source or generate renewable energy equivalent to 50% of our total annual electricity consumption by 2025. Once the related facilities are online, they will add new renewable energy generation capacity to the power grids in areas where our usage is high and avoid greenhouse gas emissions associated with fossil fuel energy generation.

Verizon's green bond projects demonstrate our long-term commitment to minimize our environmental impact, drive operating efficiencies and benefit the communities we serve.

Annual allocation by category:



Renewable Energy



Green Buildings



Energy Efficiency



Biodiversity & Conservation

Total

	Renewable Energy	Green Buildings	Energy Efficiency	Biodiversity & Conservation	Total
2020	\$493.7 million ^{1,2}	-	-	-	\$493.7 million
2019	\$143.2 million	\$319.3 million	\$36.7 million	\$0.8 million	\$500.0 million
Total	\$636.9 million	\$319.3 million	\$36.7 million	\$0.8 million	\$993.7 million

¹ For purposes of allocating net proceeds to the New York re-powering projects, we only considered the incremental energy expected to be produced as a result of the re-powering. See Note 5 from Management's Assertion, which is included with the Report of Independent Accountants, for further discussion on allocation methodology.

² The net proceeds allocated to the renewable energy purchase agreement for the North Carolina project cover only a portion of the estimated total cost of the agreement.

[View Report of Independent Accountants](#)

Impact reporting

We are reporting anticipated environmental impacts of the renewable energy and green building projects to which 96% of the net proceeds were allocated. All environmental impacts reported are estimated based on currently available data.

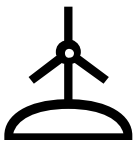
Category	Metric	Calculation	Anticipated Impact
Renewable Energy	Anticipated greenhouse gas (GHG) emissions avoided per year	Estimated annual renewable energy ¹ multiplied by GHG emissions factor ²	913,089 MT CO ₂ e avoided annually ³
Green Buildings	Square footage contracted for LEED Gold or higher certification	Total building square footage	446,000 sq ft contracted for LEED Platinum certification

¹ Includes estimated renewable energy from renewable energy purchase agreements and on-site renewables. For purposes of estimating the annual renewable energy generated by the projects covered by renewable energy purchase agreements, the estimated annual amount of renewable energy generated by those projects was determined based on the full amount of our contracted capacity with respect to those projects, including the New York repowering projects.

² Emissions calculated using the EPA EGRID 2018 United States Electricity Grid average (U.S. annual CO₂ equivalent total output emission rate (lb/MWh)). See https://www.epa.gov/sites/production/files/2020-03/egrid2018_data_v2.xlsx

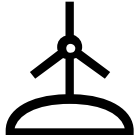
³ For the renewable energy purchase agreement for the North Carolina project, for which the Green Bond proceeds allocated thereto cover only a portion of the estimated total cost of the agreement, we have included only an equivalent proportion of the estimated total annual amount of avoided emissions for the project.

Project examples



\$178M allocated to development of renewable energy in Ohio and North Carolina

Verizon entered into renewable energy purchase agreements for an aggregate of up to 296 megawatts (MW) of capacity at two solar facilities that are under development. The purchase agreements have a 15-year term and generally are expected to be financially settled. The solar energy facilities are located in Ohio and North Carolina within the PJM Interconnection regional market where we have significant energy usage and are expected to commence commercial operation in 2022.



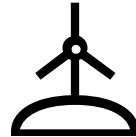
\$183M allocated to development of renewable energy in Texas

Verizon entered into renewable energy purchase agreements for an aggregate of up to 254 MW of capacity at two solar facilities that are under development. The purchase agreements have an 18-year term and will be financially settled. The solar energy facilities are located within the Texas regional market where we have significant energy usage and are expected to commence commercial operation in 2023.



\$133M allocated to development of renewable energy in New York

Verizon entered into renewable energy purchase agreements for an aggregate of up to 160 MW of capacity at two wind energy facilities that are being repowered. The purchase agreements have a 12-year term and generally are expected to be financially settled. The wind energy facilities are located in New York where we have significant energy usage, and the repowered facilities are expected to be fully operational in 2021.



\$133M allocated to development of renewable energy in Illinois

Verizon entered into a renewable energy purchase agreement for up to 130 MW of capacity at a new wind energy facility that is under development. The purchase agreement has a twelve-year term and generally is expected to be financially settled. The facility is located within the PJM Interconnection regional market where we have significant energy usage and is expected to commence commercial operation by the end of 2020.



\$30M allocated to upgrading to energy efficient lighting across Verizon's real estate portfolio

In 2018, Verizon began a multi-year project to convert existing lighting in its facilities to energy efficient Light Emitting Diodes (LEDs). To maximize the impact of the lighting upgrades and further increase energy efficiency, the project is also replacing existing lighting controls with new motion sensors, timers and dimmable controls.



\$319M allocated to development of LEED platinum facility

In 2018, Verizon entered into a long-term lease for more than 446,000 square feet in an office tower to be located in a mixed-use technology community at Boston's The Hub on Causeway, adjacent to TD Garden and with a direct connection to the North Station. The lease provides that The Hub on Causeway office tower is to be designed and built to achieve a Platinum level of certification under the U.S. Green Building Council's LEED v3 rating system for Core and Shell Development.



\$0.77M allocated to addressing critical loss of forests

During 2019, Verizon invested over \$0.77M with Arbor Day Foundation, Texas Trees Foundation and Eden Reforestation as part of our commitment to plant 10M trees by 2030. We are a founding member of Arbor Day Foundation's Time for Trees initiative which launched in 2019 and focuses its replanting efforts in areas as geographically diverse as the tropical rain forests and the iconic California national forests.