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#### DISCLAIMER AND CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements included in this report, including those regarding our ESG-related initiatives, constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on management's current expectations and beliefs concerning future developments and their potential effects upon Charter Communications, Inc. ("Charter" or the "Company") and its subsidiaries. Charter's actual results may differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements are be found in the "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" sections included in Charter's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Statements regarding our ESG-related initiatives are subject to the risk that we will be unable to execute our strategy because of market or competitive conditions or other factors.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We are under no duty or obligation to update any of the forward-looking statements after the date of first publication.

ESG metrics included in this report are reported as of December 31, 2022 (unless otherwise noted), have not been independently audited, are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), and may be calculated utilizing methodology and principles that differ from period to period.

The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. Please refer to our periodic and other filings with the U.S. Securities and Exchange Commission ("SEC"), which are accessible on the SEC's website at www.sec.gov and our website at ir.charter.com, for additional information concerning Charter, including information that is more current than that contained in this report. This report should be read in conjunction with our filings with the SEC and the other information we publish.

Charter Communications 2022 ESG Report

### LETTER FROM OUR CEO



We are a broadband connectivity company, serving more than 32 million customers, supported by more than 101,000 employees, across our 41-state footprint; and we are active members of those communities in which our customers and employees live and work. At Charter, our fundamental operating strategy remains unchanged: to grow our business by delivering superior value to our customers. Our consumer-friendly product, pricing, and service strategy creates value for our customers, benefits our local communities, and supports long-term careers for our employees, which benefits Charter and leads to continually improving service in the long term.

We are well positioned for the future. We have valuable assets, a highly skilled U.S. based workforce, and significant scale. Our network already passes an estimated 56 million homes and businesses, and we have nearly 500 million devices connect to our network every single day. We offer gigabit broadband connectivity everywhere we operate. We offer consistent products, retail pricing, and packaging across our entire footprint – not just where it's financially more attractive. We have the fastest overall wireless speeds¹ across our footprint. We're also the fastest growing mobile provider² in our footprint. We do all that while saving customers significant amounts of money. In addition to great products and pricing, we provide high-quality service to our customers. Our sales and service functions are fully in-sourced, and we've invested in the digitization of service, so that we can best serve our customers.

Going forward, our success will be driven by the evolution of our network, expansion of our footprint, and the execution of high-quality operations, including customer service. We have initiated our network evolution to enable gig symmetrical speeds and multi-gig downstream speeds across our footprint, which we expect to be essentially complete by the end of 2025. Our rural construction initiative will bring gigabit broadband to more than a million currently unserved and underserved locations. We will continue to invest in our employees, providing compensation, benefits, and training that foster the building of a long-term career with the Company, which also leads to better customer service. The combination of our pricing and packaging structure and quality of service capabilities will continue to create growth opportunities. We are creating a new class of seamless connectivity called "Gig-powered Wireless" and are making it available across our entire footprint.

While this is the first Environmental, Social, and Governance ("ESG") report issued since I became Charter CEO in December, I have been involved in our ESG strategy and framework, and our commitment

to the goals we have established will not change. Our ESG efforts continue to be structured in a comprehensive three-pillar framework to reflect how our business drives sustained value in a virtuous cycle. By investing in a highly skilled workforce, we are able to deliver a superior network that connects communities. The services we deliver are vital to our customers and the communities we serve, which is why we established the following goals to help create long-term value through sustainable connectivity:

- Drive efficiency by achieving carbon neutrality in our operations by 2035 – IN PROGRESS
- Expand our network to provide high-speed broadband access to more than one million unserved and underserved rural customer locations by investing over \$6 billion by 2027 through our rural construction initiative IN PROGRESS
- Invest \$30 million to improve 100 rural and urban community centers that provide job skills training, benefiting 50,000 people in the communities we serve – IN PROGRESS
- Continue to build a highly skilled workforce reflecting the diversity of the communities we serve by increasing the starting minimum wage of all hourly employees to \$20 per hour in 2022 –

#### **COMPLETED**

 Provide better, safer connectivity and control for our communities by making our Advanced WiFi platform available to 100% of Internet serviceable homes passed in 2022, enabling customers to optimize their home networks with detailed visibility and control over connected devices – COMPLETED

This year's ESG report describes Charter's actions that support achieving carbon neutrality, the achievement of our goals for starting minimum wage and Advanced WiFi, the investments made in our employees, the expansion of access to services through our rural construction initiative, and the investments we make in the diverse communities where we operate, and where our employees live and work. We believe the information provided in this report demonstrates to all our stakeholders the important role our Highly Skilled Workforce, Superior Network, and Connected Communities play in Charter's business strategy and continued success.

Christopher L. Winfrey

President and Chief Executive Officer

1 Fastest Overall Speeds claim based on Global Wireless Solutions' combined cellular and WiFi speed test results in Spectrum service area where WiFi is available. Cellular speeds vary by location.

Charter Communications 1 2022 ESG Report

<sup>&</sup>lt;sup>2</sup> Based on year end 2022 subscriber data among top 3 carriers.

# OUR ESG APPROACH

As a leading broadband connectivity company and cable operator, we create long-term value for our stakeholders through the efficient delivery of our services across our 41-state footprint. We recognize that by investing in a highly skilled workforce, we are able to deliver superior products and services over an advanced network to bring sustainable connectivity to our customers and their communities.

### **ESG FRAMEWORK**

A Highly Skilled Workforce, a Superior Network, and Connected Communities underpinned by strong governance constitute our ESG framework. These pillars define our ESG priorities, set a foundation for our ESG goals, and reflect important aspects of our overall business strategy.

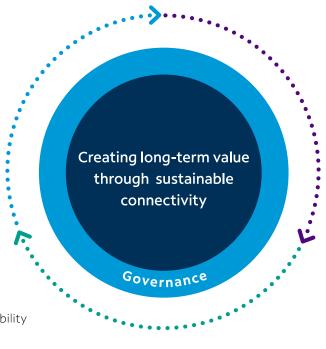
Charter developed this framework in 2020 through a detailed review of leading ESG standards drawing on stakeholder priorities and feedback from across the organization to identify and inform our approach. We synthesized an initial set of topics from several leading, industry-specific sustainability standards, including the Sustainability Accounting Standards Board ("SASB"). We combined these standards with the findings of a comprehensive peer assessment, existing

programs at Charter, and a broad executive engagement effort across our business groups to identify ESG priorities in relation to our operations. These topics were then validated by our internal ESG Operating Steering Committee ("OSC") and Executive Steering Committee ("ESC"), as well as our Board of Directors (the "Board"), and subsequently synthesized into a cohesive approach that articulates our areas of focus (see <a href="ESG governance">ESG governance</a>). Each year, we review our framework against recent ESG stakeholder developments to confirm our priorities and reporting approach and to make sure our efforts and initiatives are consistent with stakeholder expectations as well as our objective to create long-term value through sustainable connectivity.

We create long-term value by building sustainable connectivity through a virtuous cycle that begins with investing in a highly skilled workforce. Our workforce enables us to deliver superior products and services over an advanced network, connecting our customers and their communities.

#### **Connected Communities**

- Expanding access to our products and services
- Protecting customer data, privacy, and security
- Investing in the communities we serve



#### **Highly Skilled Workforce**

- Training and investing in our employees
- Enabling a diverse and inclusive culture
- Focusing on a safe and healthy workplace

#### **Superior Network**

- Evolving our network to provide greater speed, resilience, and reliability
- Investing in the efficiency of the network to provide affordable services

## 2022 ESG SUMMARY

Below we have outlined current year performance across our ESG framework. Refer to the ESG Metrics appendix for additional details of current and prior year performance.

# Highly Skilled Workforce



9.3M TRAINING **HOURS** COMPLETED



101.000 **EXPERIENCES** AVAII ABI F

### \$357 MILLION

**INVESTED IN TRAINING** 

### **GOAL ACHIEVED**

We now offer a minimum starting wage of \$20/hr3

OVERVIEW OF OUR WORKFORCE

51%

TOTAL DIVERSE REPRESENTATION BY RACE AND ETHNICITY

> Black/African American: 21% Hispanic/Latino: 19% Asian: 5%

34%

Individuals with disabilities



5% DECREASE YEAR-OVER-YEAR IN OUR TOTAL RECORDABLE INJURY RATE (TRIR) TO 2.1

### Superior Network



**INVESTED IN INFRASTRUCTURE** AND TECHNOLOGY<sup>5</sup>

1,513,000 MT CO<sub>2</sub>E

Greenhouse gas ("GHG") emissions from our operations<sup>6</sup>

#### **GOAL IN PROGRESS CARBON NEUTRALITY IN OUR OPERATIONS**

Reach carbon neutrality in our operations (Scope 1 and 2 GHG emissions) by 2035, with a strategy focused on energy efficiency, renewable energy, and fleet fuel efficiency

> 930,000 MT CO<sub>2</sub>E

GHG emissions from our value chain<sup>6</sup>

### Connected Communities

#### RURAL CONSTRUCTION INITIATIVE



200,000+

Passings constructed during the period7

Capital investment during the period

#### **GOAL IN PROGRESS**

Expand our network to provide high-speed broadband access to more than one million unserved and underserved rural customer locations by investing over \$6 billion by 2027

# GOAL

Our Advanced WiFi platform is available to 100% of Internet serviceable homes passed

SPECTRUM COMMUNITY **CENTER ASSIST** 

PROGRESS SINCE INCEPTION:

Community centers revitalized

#### **GOAL IN PROGRESS**

Invest \$30 million to improve 100 urban and rural community centers that provide job skills training

- 3 \$20 per hour starting minimum wage includes target commissions for commission-based employees
- <sup>4</sup> Total diverse representation includes all race and ethnicity categories (including Native Hawaiian/Pacific Islander, Native American/Alaska Native, and two or more races in addition to the categories listed).
- <sup>5</sup> Investment in infrastructure and technology defined as capital expenditures, excluding line extensions.
- 6 Refer to Understanding our sources of GHG emissions for an overview of our calculation methodologies and details on the value chain categories we include.
- <sup>7</sup> Of the over 200,000 rural passings constructed, approximately 120,000 were subsidized.

### **ESG GOVERNANCE**

The Nominating and Corporate Governance Committee is responsible for oversight of the Company's efforts regarding ESG matters. The ESC and OSC are both chaired by Charter's General Counsel and are composed of leaders from departments across our operations, including Accounting, Business Planning, Communications, Community Impact, Corporate Finance, Corporate Services, Diversity & Inclusion, Government Affairs, Human Resources, Investor Relations, Legal, Network Operations, Policy, and Sustainability.

The ESC is composed of senior-level management that is responsible for overseeing and determining the direction and ambition of key ESG program areas. The ESC oversees the work of the OSC to align our programs and disclosures with Charter's values and business goals. The ESC generally meets quarterly and the Company's ESG and carbon neutral strategy progress is reported regularly to the Chief Executive Officer and quarterly to the Nominating and Corporate Governance Committee.

The OSC, which typically meets monthly, consists of program leaders related to our ESG areas of focus. The OSC provides input on the Company's ESG framework, assists with the establishment and tracking of ESG metrics, and guides the Company's approach with respect to ESG programs and disclosures. The OSC has carbon neutral focused subcommittees concentrated on the collection and review of GHG data as well as initiatives related to our carbon neutral strategy (see <u>TCFD Index</u>).

In addition to the Nominating and Corporate Governance Committee responsibilities defined above, the full Board has delegated ESG-related responsibilities to various committees. The Audit Committee reviews our Enterprise Risk Management ("ERM") program on a regular basis, which includes reviewing threats to our network and our business, such as cybersecurity and business continuity risks, including extreme weather. The Board regularly reviews reports from management and the Audit Committee regarding the ERM program. The Compensation and Benefits Committee oversees diversity and inclusion, and the full Board receives annual updates from our Chief Diversity Officer. The Board also regularly discusses Charter's competitive positioning, strategic dynamics, and business priorities with management and advises management with respect to our strategy for each of our business areas.



# HIGHLY SKILLED WORKFORCE

We believe that attracting, developing, and retaining our highly skilled workforce is critical to successfully executing our operating strategy. This belief is reflected in our Company's values of employees being experts in their field and pursuing continuous growth and learning. With significant opportunities for job training and advancement, our employees develop the skills and expertise necessary to build a long and successful career with us. Having a highly skilled and long tenured workforce is an asset to our customers and allows us to deliver better products and services.



TRAINING AND INVESTING

Spectrum

# TRAINING AND INVESTING IN OUR EMPLOYEES

In 2022, across all our operations, we made meaningful investments in wages and benefits, as well as training and career progression opportunities, so our employees can build long and fulfilling careers at Charter. Our Company has historically been a great place to build a career, and the enhancements we're making underscore our commitment to our employees.

#### **EMPLOYER OF CHOICE RECOGNITION**

Charter, under the Spectrum brand, was recognized as a top employer on several occasions in 2022, including Built-In Best 100 Large Companies to work for, Forbes' "Best-In-State Employer" for CO, MO, NC, and OH and the Best Employers for Veterans, VETTS Index Three Star Employer, We Hire Vets from the Texas Workforce Commission, WayUp's Top 100 Internship Program, Early Talent Award winner from Handshake, and Campus Forward Program from Ripplematch. In 2023, Forbes named us to its list of America's Best Large Employers.

#### TRAINING APPROACH

In 2022, Charter invested approximately \$357 million<sup>8</sup> in training, offering a wide array of talent development programs, from entrylevel skills training to management and leadership development. Each major business unit has a learning organization that manages and maintains role-specific training for employees, from new hires to supervisors. Our Corporate Learning organization supports broader, cross-functional learning initiatives with tools, resources, and technology infrastructure. By leveraging this distributed learning model, employees are immersed in role-based training within their business units (e.g., customer service, field operations, and sales) and supported at the corporate level for more universal needs. This approach allows more agility for the business units to quickly train employees on specific tools or skills as those tools and needed skills evolve, while our corporate function supports enterprise-wide tools, processes, and leadership programs for the broader organization's needs. Our Corporate Learning organization regularly assesses the broader learning needs of the business through the Learning Council. The Learning Council, which includes representatives from Corporate Learning and each business unit, meets monthly to identify skill development opportunities to benefit our entire organization. In 2022, our new offerings included a strong focus on operations and product training, as well as internal system training to improve productivity and courses to build leadership skills in diversity and inclusion.

We offer more than 101,000 learning experiences spanning leadership development, new hire, and professional skills training. In 2022, we added over 12,000 new learning experiences, with the majority being online offerings. Our Company-wide Learning Management System has the ability to view formal learning activity, including completion rates and evaluations on training and development experiences, to provide full-time and parttime employees, as well as management, a comprehensive view of progression. Learners can assess any training course they complete with a rating between one and five. In addition, online surveys generated upon course completion allow learners to offer additional feedback, including content usability, relevance, and business impact. These training evaluations are used to follow up and make improvements as needed. A cross-functional team meets monthly to manage and maintain the shared structure and use of the system.

#### **TRAINING BY THE NUMBERS IN 2022**

101,000 EXPERIENCES

Total number of learning experiences available at Charter

9.3 MILLION HOURS<sup>9</sup>

Total number of aggregate training hours (includes full-time and part-time employees)

<sup>&</sup>lt;sup>8</sup> This metric includes departmental training expenditures, learning system expenditures, salaries for dedicated learning personnel, and total training salary cost. To prevent undue skewing of the training salary cost, only salaries for staff below the Vice President level are included, with the assumption being that most training hours come from those employees.

<sup>9</sup> This metric only includes trainings occurring within the Company-wide Learning Management System. Trainings occurring outside of the Learning Management System are excluded.

#### CAREER GROWTH

Charter

Our comprehensive on-the-job training, manager development, and coaching support career progression, which gives employees the opportunity to develop skills and build a career at Charter. The vast majority of our customer-facing roles have the opportunity for upward advancement including through supervisory and leadership roles. In 2022, we enhanced our self-progression programs for our operational teams to support career growth. Our Field Operations organization has several self-progression programs where employees who maintain exceptional levels of performance can complete online coursework to advance to the next level within their job family. Upon completion of the online coursework, employees receive a \$500 bonus and when they move up to the next level, they receive at least a 10% increase in their hourly wage. Once the top level of self-progression is attained, employees may post for promotional opportunities with increased compensation to continue their career growth.

In addition, we continue one of our most successful ongoing career progression programs with our Broadband Technician Apprenticeship Program. This highly regarded program, certified by the U.S. Department of Labor, is aligned with our broadband technician career progression and includes thousands of hours of on-the-job training and classroom instruction. Participating veterans can also receive GI Bill benefits in addition to their regular paychecks while enrolled.

We also offer a variety of standard and customized leadership development programs, resources, and curricula for each business unit and job level. Some business units have frontline and midlevel leadership programs that are tailored to unique business challenges, while others leverage corporate-provided leadership content in an open enrollment format. Employees are encouraged

to use an Individual Training and Development Plan, a tool within the Learning Management System, to track course completion and progress toward developmental goals. In addition, we have a number of corporate-led internal programs at the Director through Vice President level, and multiple opportunities for Supervisors and Managers to quickly augment their skills with online courses on topics such as business applications, productivity tools, and communication and management skills. In 2022, we piloted a program for newly hired and promoted people leaders to develop the skills needed to manage and lead effectively. In addition, we partner with external organizations to supplement our learning offerings through organizations such as the Center for Creative Leadership, the Cable and Telecommunications Association for Marketing, and the Society of Cable Telecommunications Engineers. For additional leadership development opportunities, we also partner with key diversity organizations such as Women in Cable Telecommunications and the National Association for Multi-ethnicity in Communications. Our leadership programs and offerings continue to evolve each year based on business needs. For example, we integrated inclusive behaviors in our leadership development programs, enabling employees to enhance their skills working in and leading diverse and inclusive teams.

#### **TUITION ASSISTANCE**

Beyond learning and development opportunities within Charter, we recognize the importance of continuing education. In 2022, we nearly doubled our tuition reimbursement program to \$10,000 per calendar year. Our Education Assistance Program reimburses employees for expenses incurred from pursuing an education at an accredited college, university, or trade school when the program is related to the full-time employee's current role or will prepare them for a future role at Charter.

#### **SELF-PROGRESSION PROGRAMS**

In 2022, we made a number of significant investments in our employees, including the modernization of our self-progression programs and a new compensation structure. For all Field Operations roles with self-progression, we provide a \$500 coursework completion bonus, along with at least a 10% wage increase for each step up. When employees increase their pay by advancing their careers, other Charter benefits, like retirement contributions and life insurance, also increase.



#### PERFORMANCE MANAGEMENT

In addition to encouraging a culture of continuous learning, Charter annually evaluates all merit-eligible employees through a formal performance management review process that focuses on overall job effectiveness and behaviors. Depending on the role, job effectiveness can be measured against annual goals, key effectiveness areas, or scorecard metrics. Behaviors reviewed in the performance management process for employees include communication, relationship building, and demonstration of flexibility. People leaders are evaluated on managing and developing their teams, with those at the Director level and above also measured on supporting diversity and inclusion initiatives. Several business units participate in employee engagement surveys that solicit feedback on key areas of focus within their group. The business units then follow this survey process with action planning at the business unit leader level to address concerns and improve engagement.

#### SUCCESSION AND TALENT PLANNING

As we look to the future, we recognize the ongoing need to further strengthen and diversify our leadership pipeline. When recruiting external talent for leadership positions, we prioritize diverse slates, leveraging technologies, programs, and tools to identify and source diverse talent. When assessing our internal talent, each business unit participates in an annual talent planning process to review the overall performance of our leaders and their potential to serve in larger, more complex roles. These discussions also support

succession and development planning to ensure we continue to strengthen and diversify our workforce for the future. Potential successors are identified on an annual basis for all roles at the Vice President level and above. Executive leadership reviews the results of talent conversations, which open possibilities for career growth opportunities and cross-organizational movement.

In 2022, our succession planning process continued to highlight strong internal talent. As a result of our ongoing talent and succession planning efforts, Tom Rutledge transitioned from Chief Executive Officer to Executive Chairman, and Chris Winfrey was named President and Chief Executive Officer, effective as of December 1, 2022. Four highly talented individuals, including a woman and a person of color, were also newly promoted internally as Executive Vice Presidents as a result of our succession and talent planning processes.

#### **BENEFITS AND PAY**

We believe in offering a comprehensive compensation and benefits package that rewards employees for their contributions to our success, supports all aspects of their well-being, and delivers real value at every stage of life. Our total rewards programs include competitive wages, robust healthcare benefits, a generous retirement program, free Spectrum video, Internet, and voice, and significantly discounted mobile service. Charter's total compensation package is designed to attract and retain talent and provide holistic support to employees throughout their careers with Charter.

#### **NEW WAYS CHARTER IS INVESTING IN ITS EMPLOYEES**

In 2022, we announced additional investments in our employees, including:

Enhanced career progression opportunities, including Annual Bonus eligibility for all frontline supervisors and other salaried employees not already on a commission or bonus plan

More vacation days based on years of service

Two additional weeks of paid parental leave

Expanded benefits eligibility for part-time employees

Expanding benefits coverage to all domestic partners

Significantly discounted Spectrum Mobile services Nearly double the amount of tuition reimbursement to

\$10,000 PER YEAR More than triple the amount of adoption and surrogacy reimbursement to

\$15,000 PER CHILD





#### Health and well-being

We provide high-quality, comprehensive medical, dental, and vision coverage for all full-time and part-time employees.<sup>10</sup> It is our priority to keep this coverage affordable for our employees and their families, and so for the last 10 years, we have absorbed the full insurance premium cost increase for medical, dental, and vision coverage. As a result, an employee who has been with Charter during this time period has saved nearly \$10,000 on average. We contribute up to \$1,500 per year into a healthcare account to help employees and their families pay for qualified healthcare expenses, and we offer no-cost health improvement initiatives, including diabetes management, planned surgeries, and second medical opinions. In addition, we provide market-leading benefits designed to support the diverse needs of our employees. Charter offers inclusive family-building benefit options for our LGBTQ employees and comprehensive health benefits to our transgender employees to support their physical and emotional well-being.

#### Starting wage and compensation

We offer competitive starting wages with significant incentive compensation and annual earnings potential based on specific roles. In 2022, we achieved our goal of all hourly employees having a starting minimum wage of at least \$20 per hour, including target commissions, which is well above any state or federal minimum wage levels.

Nearly 85% of our employees are eligible for additional variable compensation based on their performance (e.g., annual performance bonus or sales commissions). Charter's equity incentive plan also covers over 5,300 leaders in roles at or above the Principal I and Director levels, as well as select Senior Manager roles, and awards are granted pursuant to the action of the Compensation and Benefits Committee.



#### Savings and retirement

All employees are eligible to participate in our retirement program, and new hires are automatically enrolled. We match every dollar our employees put into their 401(k) up to 6% of their eligible pay. On top of that, all employees below the Director level (approximately 94% of our workforce) are also eligible to receive an additional Company non-elective contribution equal to 3% of their eligible pay that goes into a Retirement Accumulation Plan (RAP). Together, these Charter contributions deliver a market-leading savings and retirement program for our employees.

#### Paid time off, leave, disability, and financial protection

Beyond our core benefits, we provide a suite of non-compensation benefits and programs to help our employees manage work and life, including paid time off for holidays, personal days, vacations, and income replacement benefits from an injury or illness. Full-time and part-time employees also receive basic life and accidental death and dismemberment insurance at no cost.

Beyond state and federal leave requirements, we offer additional personal unpaid leave when an employee needs time away for nonmedical reasons. Charter also supports our military members by providing differential pay for up to one year while serving our country on military leave.

We recognize the journey to parenthood is different for everyone, and we provide a robust suite of benefits to support our working families. Full-time and part-time employees are eligible for four weeks of paid parental leave in the 12 months following the birth or adoption of their child. Birth mothers also receive eight weeks of short-term disability income replacement benefits in addition to the four weeks of paid parental leave. We provide fertility benefits for our employees and their dependents that includes treatment, preservation, and surrogacy so that all employees, including our LGBTQ community members, have an opportunity to build a family. We also have family planning programs and tools, along with financial support and up to \$15,000 in reimbursement for costs associated with adoption and surrogacy. Charter provides nursing mothers with a concierge service to express ship refrigerated breast milk while traveling on business. Parents and caregivers raising children with learning, behavioral challenges, or developmental disabilities have resources to help them understand, teach, and better communicate with their children. We also provide employees with access to discounted child care, pre-tax dependent care savings accounts, and elderly caregiving support.

#### **ETHICAL CONDUCT**

Charter<sup>®</sup>

Charter's success has been, and will continue to be, driven by our dedicated employees who combine the highest level of craftsmanship and quality of service with the highest ethical standards. Charter's Code of Conduct, Financial Code of Ethics, and Employee Handbook provide the foundation for ethical conduct and business practices for the Company and all subsidiaries. As part of our Workplace Expectations learning program, all employees (including part-time employees) are trained on the Code of Conduct upon hiring, and again biennially. As part of the course, employees provide written confirmation that they have read and understood the Code of Conduct and Employee Handbook documents. Charter also has a Conflict of Interest policy that applies to all employees, and we require that Director-level employees and above annually review, complete training, and certify compliance with that policy. All employees are required to complete training courses on relevant privacy laws, data security, and the protection of customer proprietary network information, among others. The Audit Committee of the Board is responsible for corruption issues, business ethics, and financial practices and receives updates from executive management, Internal Audit, and the General Counsel.

Our policies and culture promote open feedback, but we also offer a 24-hour hotline, maintained by a third party, that allows whistleblowers, employees, contractors, vendors, customers, and others to raise concerns anonymously. The Company's Open Door Policy also encourages reports to be made directly to Human Resources, and the policy prohibits retaliation against any individual who, in good faith, seeks advice, raises a question, reports misconduct, or participates in an investigation of a potential Code of Conduct violation. Employees are made aware of the Open

Door Policy and hotline options during their onboarding and are periodically reminded of these resources through notifications and our Workplace Expectations learning program.

Various risk assessments are performed to identify and deter potential unethical behavior or instances of non-compliance. Charter has clearly defined processes in place for the timely investigation of whistleblower reports. Reports of potential unethical behavior are investigated by Corporate Compliance & Ethics, Internal Audit, Corporate Physical Security, Employment Relations, or others at the direction of Charter's Corporate Compliance & Ethics team. Corrective actions resulting from investigations are taken in accordance with Charter's Corrective Action Guidelines.

In dealing with public officials, other corporations, and private citizens, we firmly adhere to our ethical business practices as laid out in our Code of Conduct. The Company's <u>Anti-Bribery Policy</u> and <u>Federal Contracting ("FC") Policy</u>, both of which cover all employees and subsidiaries, define bribery as "something of value given with the intent to influence an official act" and facilitation payments as "a payment made with the purpose of expediting or securing performance of a Government action by a Government Employee, political party, or party official." Our Anti-Bribery and FC policies place a strict prohibition against influencing others by paying bribes, either directly or indirectly. All employees are responsible for avoiding and reporting situations involving bribery or corruption, and the General Counsel and Corporate Compliance & Ethics team are tasked with overseeing allegations and/or investigations regarding these offenses.





# ENABLING A DIVERSE AND INCLUSIVE CULTURE

Charter's network passes more than 55 million households and businesses, serving over 32 million customers in countless urban, suburban, and rural communities across our country. The diversity of the communities we serve is reflected in our workforce, and our success in serving these communities requires a commitment to diversity and inclusion in every aspect of our business. At Charter, we value the unique backgrounds, perspectives, and experiences of our employees. Embracing these differences brings us together for the common mission of exceeding our customers' needs.

We approach diversity and inclusion holistically to support our commercial strategy and continued business success. Our diversity and inclusion strategy is built around five pillars—our people, a culture of inclusion, products and services, suppliers, and our community. Led by Charter's Chief Diversity Officer, the Company's governance structure promotes shared accountability and responsibility for diversity and inclusion through an Executive Steering Committee for Diversity & Inclusion ("Steering Committee") and our External Diversity & Inclusion Council ("EDIC"). Charter's CEO chairs the Steering Committee, representing the Company's executive leadership team, which meets quarterly. The Steering Committee has three subcommittees focused on a subset of our strategic pillars, including People, Culture of Inclusion, and Supplier Diversity. Additionally, executive leaders have diversity and inclusion action plans to further this strategy within their organizations. Charter's Executive Chairman, CEO, and several key executives meet annually with the EDIC, which is composed of national civil rights leaders, diversity and inclusion thought leaders, and business leaders who help us understand the needs of the diverse communities we serve. Equally important, Charter's Board of Directors reviews our progress annually.

#### **OUR PEOPLE**

Employees at Charter understand that a workforce that is reflective of the customers and communities we serve helps drive strong business performance. Our workforce of more than 101,000 employees reflects a full range of diversity, abilities, and experiences. We actively promote diversity at every level of our organization. For example, our outreach to diverse external pools includes strong partnerships with universities, alumni and professional organizations that help us attract diverse talent in all phases of their careers. Our employees have access to our internal training and development programs including formalized mentoring programs through our Business Resource Groups ("BRGs") that focus on several diverse



communities including our multicultural employees, women, and veterans. These programs are highly rated by participants and have contributed thousands of hours of mentoring time and professional development. We also maintain strong partnerships with organizations such as The WICT Network and the National Association of Multi-ethnicity in Communications, which provide professional development opportunities and training to women and people of color, respectively. Partnerships with the Emma Bowen and T. Howard Foundations support our ability to identify interns and early career talent with diverse backgrounds and experiences. Additional relationships with organizations that focus on the LGBTQ and disability communities, such as the Human Rights Campaign, Out & Equal, the National Organization on Disability, and Disability: IN, have enabled us to further refine best practices to recruit and retain a workforce that reflects the communities and the customers we serve. Charter also engages with organizations like Hiring Our Heroes and the U.S. Department of Defense Military Spouse Employment Partnership, which support the military community with services like transition assistance, career coaching, and job readiness.



CEO Letter

Our ESG Approach

#### CHARTER'S EMPLOYEES REFLECT THE DIVERSITY OF THE COMMUNITIES WE SERVE

51%

Diverse representation by race and ethnicity11

21%

Black/African **American** 

19% Hispanic/

Latino

5% 34% 8%

with disabilities

Includes full-time and part-time employees as of December 31, 2022.

#### **CULTURE OF INCLUSION**

We have made good progress in promoting diversity in our workforce and are committed to maintaining our focus. We also recognize that workforce diversity alone is not sufficient to achieve our Company's objectives; we are equally committed to fostering an inclusive environment. We have practices devoted to diversity and inclusion, accessibility, and a fair and respectful workplace, supported by our Equal Employment Opportunity, Diversity & Inclusion, and Accessibility policies. Charter provides equal employment opportunities to all people and requires its Officers, Directors, and other employees to adhere to laws, regulations, and corporate policies relating to equal opportunity and non-discrimination.

Charter further demonstrates our commitment to an inclusive environment through our five BRGs, which focus on people with disabilities, the LGBTQ community, employees with multicultural backgrounds, veterans, and women. These voluntary groups are open to all employees, regardless of background, enabling them to engage in activities that advance our culture of inclusion and contribute to business success. Our BRGs not only cultivate understanding and appreciation of colleagues within the Company, but also empower employees to grow and succeed by providing networking, mentorship, and skill-building opportunities. For example, BRGs host professional development webinars that highlight ways of growing one's career from the perspective of successful professionals representing diverse backgrounds.

In 2022, we launched a new inclusion learning experience designed for people leaders. This multi-phased experience provides in-depth training on behaviors that support a culture of inclusion. The goal is for people leaders to emerge from this experience equipped to foster inclusion as well as support their own personal development of inclusive behaviors. To date, over 90% of our people leaders have completed the foundational module.

Charter supports the continued education of employees on the value of diversity and inclusion in the workplace through internal communications channels, including our internal Company website with a dedicated section focused on diversity and inclusion. An internal video series, Perspectives on D&I, is produced in alignment with cultural heritage and identity dates to build understanding of the different backgrounds and experiences of our colleagues, partners, customers and communities and how diversity and inclusion advances business outcomes.

#### **PRODUCTS AND SERVICES**

Charter is committed to delivering products and services that meet the unique and diverse needs of customers of all backgrounds and abilities. We have agreements for more than 200 ethnically-oriented and/or minority-owned networks in more than 20 languages, and we offer video programming packages that are uniquely tailored to appeal to multicultural communities, including African American, Hispanic, Asian-American, Italian, French, Greek, and German communities, among others. Our robust Hispanic-oriented offerings feature more than 75 Spanish-language networks, including a variety of U.S.-originated and minority-owned networks. In 2022, we added 22 new channels offering content geared toward South Asian communities. We continue to evaluate our offerings and seek ways to expand and strengthen our commitment to providing a multitude of diverse programming choices.

Accessibility plays an important role in how Charter benchmarks the quality of products and services offered to our customers and employees. The Accessibility team designs our products to improve the experiences of all users. Since 2018, the team has launched five universally-designed apps, including the Spectrum News Connected TV app that is fully-accessible and allows Internet-only customers with Roku and Apple TV to stream live and on-demand news on big screens. Additionally, our Spectrum Access app provides audio description and closed captioning for entertainment offerings. Notably, we launched disability support via online chat, which mirrors the call center experience. This allows customers with disabilities more choices in how they interact with Charter. See further discussion in the Accessible products and services section of the report.

<sup>11</sup> Total diverse representation includes all race and ethnicity categories (including Native Hawaiian/Pacific Islander, Native American/Alaska Native, and two or more races in addition to the categories listed).



In 2022, Charter received several recognitions for its efforts to support employees with diverse backgrounds, including:

# BEST EMPLOYERS FOR VETERANS

Forbes, "Best Employers for Veterans" focused on career development, working conditions, and programs geared toward veterans

## BEST COMPANIES FOR LATINOS TO WORK

Latino Leaders Magazine, "Best Companies for Latinos to Work" based on employee diversity, employee resource group programs, and efforts to recruit, promote, and retain Latino employees

# TOP COMPANY FOR WOMEN TO WORK

The WICT Network, "Top Company for Women to Work" based on diversity and inclusion practices supporting the advancement of women in the media, entertainment and technology industries

#### SUPPLIER DIVERSITY

Charter's Supplier Diversity Program focuses on connecting qualified diverse owned businesses with opportunities within our Company. Since the inception of the program in 2017, we have provided Tier 1 and Tier 2 level opportunities to qualified diverse suppliers throughout our operations and footprint. Our program has exceeded \$1 billion in total annual diverse spend in each of the five consecutive years ending in 2022.<sup>12</sup>

Over the past five years, our program has provided multiple scholarships for diverse business owners to participate in executive development programs at the Tuck School of Business at Dartmouth, sponsored coaching assistance for approximately 30 businesses seeking diverse certification, and sponsored several diverse supplier development initiatives and events with various regional and national diverse business advocacy organizations around the nation.

In 2022, Charter's Supplier Diversity team participated in more than 40 conferences and meetings, and over 15 matchmaker sessions that supported our connections with numerous diverse owned businesses. We continue to build and leverage our partner relationships to match qualified diverse suppliers with Tier I opportunities, while taking steps to further develop our Tier 2 program and create additional opportunities at this level to support the growth of our diverse subcontractors. In September 2022, the Institute for Supply Management presented Charter with its inaugural Diversity Champion Trailblazer Award, recognizing our efforts to advance supplier diversity in our company and industry.

#### **COMMUNITY**

Serving our customers and supporting our employees also means investing in the communities they call home. We seek to empower and advance local communities by promoting economic opportunity and access to information to enhance lives in lasting ways. We achieve this objective through partnerships with national civil rights and nonprofit organizations, enabling us to fund and create new programs and initiatives that raise awareness about important issues impacting communities throughout our footprint. As examples, we are partnering with Asian Americans Advancing Justice ("AAJC"), a national civil rights organization, on a survey of Asian Americans and Pacific Islanders to better understand their access to broadband and the Internet and raise awareness of possible gaps. We are also working with the National Urban Indian Family Coalition ("NUIFC"), a national advocacy organization, to close the digital divide for urban Native American communities through support of its Weaving Our Web Digital Equity Fund. See <u>Investing in the communities we serve</u> for further details on the support of our communities.



<sup>12</sup> Charter recognizes suppliers as diverse when they are certified by third-party agencies as businesses that are 51% owned, operated, and controlled by diverse individuals. Diversity groups include: Minority, Women, Veteran and Service-Disabled Veteran, LGBTQ, and People with Disabilities. Charter's approved third-party agencies include: the National Minority Supplier Development National Council, the Women's Business Enterprise National Council, the National LGBT Chamber of Commerce, the National Veteran Business Development Council, the U.S. Pan Asian American Chamber of Commerce, WEConnect International, Disability: IN, and Supplier Clearinghouse.



# FOCUSING ON A SAFE AND HEALTHY WORKPLACE

We value our employees and are committed to providing them with a safe and healthy workplace. All employees are required to comply with Company safety rules and expectations, and are expected to actively contribute to making our Company a safer place to work. Charter strives for continuous improvement through an integrated environmental, health, and safety ("EHS") management program that provides guidance, instruction, and best management practices. As a result, all employees must comply with Company safety rules and expectations outlined in the Safety Policy, and are expected to identify, report, and correct unsafe conditions or acts that may arise during the work day. We embed safety and health training in ongoing skills training to keep our employees educated on our best practices.



To reflect the Company's safety performance year-over-year, we tabulate and calculate any incidents into a total recordable incident rate ("TRIR")<sup>13</sup> in accordance with Occupational Safety and Health Administration ("OSHA") methodology. The results of our efforts are reflected in the downward trend of our TRIR, which at 2.1 for 2022, represents an approximate 5% decrease compared to 2021. This trend is largely driven by initiatives such as:

- Management and employee focus on incident prevention
- Implementation of standardized best practices for jobs and tasks
- Standard equipment upgrades (e.g., lighter equipment with more safety features)
- Continuous improvement efforts for job/task training and onboarding as well as fleet management (e.g., improved standard safety features on vehicles)
- Improvement in safety data processing to create actionable prevention plans (e.g., incident intake and data analysis)

**\*** \* \* \* \* \* \* \* \* \* \* \* \* \*

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TRIR includes full-time and part-time employees as well as temporary workers. Recordable incidents include any work-related injury and illness that result in loss of consciousness, days away from work, restricted work activity, transfer to another job, death, or medical treatment beyond first aid, as defined by OSHA regulations.

# SUPERIOR NETWORK



# **EVOLVING OUR NETWORK TO PROVIDE** GREATER SPEED, RESILIENCE, AND RELIABILITY

#### **INVESTING IN OUR NETWORK**

Charter has invested significantly in infrastructure and technology to enable us to better meet our customers' needs for reliable, high-speed Internet with enough capacity to support even the highest bandwidth activities. Over the next three years, we plan to evolve our hybrid fiber coaxial network using a number of technologies, including spectrum expansion, initially to 1.2 gigahertz ("GHz") and then to 1.8GHz, high splits to increase upstream speeds, Distributed Access Architecture ("DAA") and DOCSIS 4.0 technology. Through this process, which we expect to be essentially complete by year end 2025, we will transform our network to offer multi-gigabit data speeds and increased reliability. This network evolution plan allows us to leverage our existing infrastructure to deliver increased speeds using the connections already installed in customer homes, resulting in a process that is less disruptive for our customers and more environmentally friendly as construction is not needed.

\$6.4 **BILLION** 

invested in infrastructure and technology in 2022<sup>14</sup>





#### MANAGING RISK, RELIABILITY, AND RESILIENCE

Charter has taken several key steps to ensure the resilience and continued operations of our critical customer supporting platforms and operational support systems. We continuously monitor and plan for threats that can include high network demand, natural disasters, and cyber-related events.

#### **Enterprise risk management**

Charter's ERM process follows five steps: identification, evaluation, classification, confirmation, and ongoing monitoring. To identify risks with potential impact on our strategic plans and business objectives, each of our business units identifies relevant risks and shares the findings with management. Each risk is then classified

as high, medium, or low across three categories: impact, likelihood of occurrence, and controls effectiveness. Based on this evaluation, risks are classified into tiers to prioritize and isolate the most pertinent risks for the Company. In the confirmation phase of the ERM process, we confirm risk identification and classification with relevant executives and the Audit Committee, and we share our risk assessment results with the Board on a regular basis. We then monitor and update our risk assessments as needed, depending on changes to our business environment or other factors. For example, we continue to monitor and manage customer privacy and the cybersecurity of our network (see <u>Cybersecurity and privacy</u> at Charter). Our ERM process also includes an annual climate risk assessment as outlined in the TCFD Index.

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 $<sup>^{14}</sup>$ Represents total capital expenditures, excluding line extension, reported as of December 31, 2022. For more details, please see our Capital Expenditures discussion under Item 7 of our Form 10-K for the year ended December 31, 2022.

#### Business continuity management and disaster recovery

Business continuity risks are multifaceted in nature and include the impact of weather events, which we frequently analyze through our incident assessment process. Charter has sound and robust business continuity management and disaster recovery governance processes in place, with a framework that includes:

- Business engagement
- Technical resilience, recovery plans, and coordination of recovery efforts
- Execution of ongoing exercises and training

We leverage a continual service improvement approach to assess risk to our network. As natural disasters and extreme weather events are unpredictable and can be fast-moving, we review, practice, and update our Disaster Emergency Action Plan so that we are ready to respond. We conduct regular preventative maintenance and testing of our fixed-facility critical infrastructure that provides services to our customers. We review facilities at risk from climate events and take proactive measures to minimize risk, including relocating facilities in flood-prone areas and using heat-resistant building materials in warmer climates.

To ensure the resilience and performance of our network, we also conduct regular exercises and testing of our environments. Our Operations Centers monitor our systems around-the-clock using multiple state-of-the-art monitoring tools to maintain uninterrupted service. Disaster recovery testing occurs regularly on our internal systems and networks, allowing for a timely recovery of our systems in the event of a disruption. We provide our employees with disaster recovery playbooks and frequent training (e.g., classroom/online learning and tabletop exercises), enabling employees to react to incidents with confidence and in a well-rehearsed manner.



If a natural disaster strikes, Charter works quickly to safely conduct field surveys to identify impacted customers and restore connectivity. An incident assessment, including assessing possible scope and impact to the business, is conducted as part of any decision to activate Charter's Emergency Management Plan.

#### **Enabling continuity through enhanced redundancy**

We maintain geographically distinct data centers that support our critical platforms. Data centers are highly available, redundant, and have carefully calculated capacity and bandwidth. Multiple regional data centers across our footprint help distribute our services closer to our customers and enhance our ability to spread or alleviate excess network load as needed. Each of our data centers is operated at exacting standards for resiliency and redundancy, such as being equipped with redundant power, backup power supply, and robust on-site data backup platforms that provide rapid recovery options. We also can balance network loads across the data centers, which provides additional flexibility to operate critical applications between data centers in the case of any failures.

Our national network consists of a series of national, regional, metro, and hub level interconnections. Each of these layers is designed with redundancy and resiliency measures. Our network routers are connected to each other through multiple diverse layers and there is additional redundancy in these connections. As such, there are multiple paths through which we can deliver our reliable services and prepare for outages or maintenance periods.

#### Network planning and capacity management

Our teams closely track bandwidth demands, including peak periods, and use forecasting tools to inform our capacity management and network planning efforts. We model growth rates of both subscribers and usage per subscriber over time, and constantly monitor network traffic patterns, usage rates, and utilization of last mile access layer networks. These analyses are continuously assessed in relation to previous days, weeks, and years of network activity so we can identify trends and prepare for needed upgrades, as well as future events. These planning efforts directly influence how we invest in new equipment to meet increasing capacity demand. By installing new equipment with existing technologies and introducing new, distributed, and efficient technologies, we have been able to enhance the way we bring reliable bandwidth to our customers.

We are also focused on performing proactive maintenance to avoid network outages and disruptions. By using artificial intelligence, telemetry, and machine learning technologies we can analyze data points regarding network health. This allows us to maintain the network more efficiently with less activity and fewer outages in service transactions impacting the customer experience.



CEO Letter

Our ESG Approach

# INVESTING IN THE EFFICIENCY OF THE NETWORK TO PROVIDE AFFORDABLE SERVICES

Charter recognizes that delivering best-in-class Internet, TV, mobile, and voice services requires the consumption of energy to power our network and fuel to operate our fleet. Accordingly, our business success is predicated on resource efficiency and the mitigation of potential climate change-related impacts. Our climate-related goal to be carbon neutral in our operations by 2035 delivers on our operational efficiency objective and our responsibility to the communities we serve. By driving efficiencies in our network and operations, we are helping mitigate potential future impacts in addition to keeping our customers connected and our services affordable.

Charter's strategy for becoming carbon neutral in our operations by 2035 focuses on

**ENERGY EFFICIENCY** 

RENEWABLE ENERGY

FLEET FUEL EFFICIENCY

In 2022, we continued developing operational approaches supporting our carbon neutral strategies. Each of our business units continued to further assess their operations and refine their approaches for carbon neutrality. We enhanced our Scope 2 emissions reporting to account for renewable energy and continued our study into the feasibility of introducing electric vehicles to a portion of our fleet. For additional information, see <u>Carbon neutral by 2035</u>.

Our commitment to sustainability extends beyond our operational footprint. By providing connectivity and virtualizing (e.g., enabling remote work) our customers' businesses and everyday lives, Charter promotes the transition to a low-carbon economy. We continue improving the energy efficiency of the equipment used to access our services under the Energy Efficiency Voluntary Agreements. As we design the modems, routers, set-top boxes ("STBs"), and other equipment used in our customers' homes and businesses, we consider their end-to-end environmental emissions. Our initiatives focus on reducing energy consumption, increasing efficient use and reuse of materials, and responsibly recycling many of our products at end-of-life. For additional information, see <u>Value chain</u>.





CEO Letter

#### UNDERSTANDING OUR SOURCES OF GHG EMISSIONS

Charter accounts for GHG emissions in both our operations and value chain in line with the concepts of "scope" defined in the GHG Protocol.

- Scope 1: Direct emissions produced from assets Charter owns or controls, namely from fleet, natural gas, corporate-owned aircraft, building generators, and fugitive emissions from refrigerants and fire suppression systems
- **Scope 2:** Indirect emissions from electricity and steam purchased by Charter
- **Scope 3:** Select other indirect emissions produced upstream and downstream of Charter's operations, namely corporate air travel by commercial airlines, material energy, and energy use for various devices—STBs, SNE, and mobile devices that are either owned or controlled by our customers

Charter's GHG emissions consist of the following for the years presented:

MT CO <sub>2</sub> e <sup>15</sup>	2022	2021	2020
Fleet	341,148	327,462	351,863
Other Operational Emissions <sup>16</sup>	62,659	48,247	45,712
Scope 1 Total	403,807	375,709	397,575
Scope 2 Total <sup>17</sup>	1,108,972	1,057,823	1,076,974
Scope 1 and 2 Total	1,512,779	1,433,532	1,474,549
STB and SNE <sup>18</sup>	801,811	926,838	950,000
Mobile	121,150	78,111	62,220
Corporate Air Travel	6,824	2,834	2,450
Scope 3 Total	929,785	1,007,783	1,014,670

Our Scope 1 and 2 emissions, which are part of our goal to be carbon neutral in our operations, increased 5.5% in 2022 compared to 2021. This is primarily due to increased Scope 1 fleet emissions as we expand our network with our rural construction initiative and increased Scope 2 emissions from more electricity consumption to power our expanded network and our operations returning to pre-COVID-19 pandemic levels, as well as an increase in U.S. electricity grid emissions. We expect electricity consumption to continue increasing in connection with our network expansion due to rural construction and other network enhancements, such as building our own 5G mobile network using CBRS spectrum. Average U.S. electricity grid emissions have generally improved annually over the past decade with the

increased availability of low-carbon energy, resulting in a cumulative improvement of more than 20%. We believe that the current year increase in U.S. electricity grid emissions of approximately 4% is a short-term anomaly that we will continue to monitor.

Our reported Scope 3 value chain emissions decreased 7.7% in 2022 compared to 2021 primarily due to lower SNE emissions from energy efficiency reductions with the Energy Efficiency Voluntary Agreements and updated material energy emission estimates, including the results of our WiFi 6 router lifecycle assessment, offset by an increase in total modem and router purchases to support the growth of our Internet services. Our mobile value chain emissions increased from the growth of our Spectrum Mobile business.

<sup>15</sup> Metric tons of carbon dioxide equivalent ("MT CO<sub>2</sub>e"), representing the number of metric tons of carbon dioxide emissions with the same global warming potential as one metric ton of another GHG. GHG accounted for across the inventory include: carbon dioxide ("CO<sub>2</sub>"), methane ("CH<sub>4</sub>"), nitrous oxide ("N<sub>2</sub>O"), and hydrofluorocarbons ("HFCs"). Charter calculates GHG emissions using carbon dioxide equivalents or "CO<sub>3</sub>e" methodology from reputable sources, including the U.S. Environmental Protection Agency.

 $<sup>^{16}</sup>$  Scope 1 Other Operational Emissions for 2022 include emissions from building generators and refrigerants. These emissions are not reflected in the 2021 and 2020 calculations.

<sup>17</sup> Scope 2 electricity emissions use the market-based methodology in 2022 and location-based methodology in 2021 and 2020. Differences between the two methodologies were determined to be de minimis. Scope 2 emissions also include a small amount of MT CO<sub>2</sub>e from steam, 794 in 2022, 741 in 2021, and 735 in 2020.

<sup>18</sup> Includes energy use and material energy from STBs and SNE purchased within the corresponding year, consistent with what we report in the Energy Efficiency Voluntary Agreements. Annual calculations do not include energy use or material energy from legacy STBs and SNE previously purchased.

#### **CARBON NEUTRAL BY 2035**

#### **Energy efficiency**

Our energy efficiency strategy focuses on improving the carbon intensity of our core operations. Within our property portfolio, we further developed our demand-side energy management program to establish a Buildings Energy Efficiency Community of Practice that brings together facilities managers and business planners across all regions. This Community of Practice shares best practices for energy management and reviews site-level energy consumption trends including energy use intensity ("EUI") normalized by specific site type. We will continue targeting our less efficient properties for energy audits to develop cost effective efficiency projects.

Our ongoing investments in our network include shifting to more energy-efficient equipment and systems across our network. Further, the deployment of fiber in our rural construction initiative is expected to provide improved energy efficiency for our overall network based upon industry studies, <sup>19</sup> although our energy consumption is expected to grow as we grow our business and our network.

Our National Data Centers ("NDC") were designed and built to provide service continuity while operating at high levels of energy efficiency, exemplified by LEED certification achieved for the buildings that house the Denver (LEED Gold®) and Charlotte (LEED Silver®) data centers. Our NDCs were designed with mechanical, electrical, and cooling systems to optimize performance and energy efficiency, and use the industry standard Power Usage Effectiveness ("PUE") metric to measure overall efficiency. Efficiency strategies in the NDCs and labs include, but are not limited to:

- Air flow management that increases cooling efficiency, including aisle containment
- High-efficiency evaporative free-cooling systems that avoided over 8,200 MWh of electricity usage in 2022
- Conducting regular third-party efficiency "health checks"
- Increasing the use of virtual machines, optimizing the utilization of servers, and refreshing hardware with more efficient models

#### Renewable energy

The network our customers rely upon and the energy required to support the network largely comes from electricity. Decarbonizing the electricity we use to support the network will primarily occur through the addition of less carbon emitting energy to the electric grid. Our 2022 Scope 2 emissions calculation is based upon the market-based methodology to enhance the accuracy of emissions from certain utility vendors, as well as to prepare for the accounting of our renewable energy strategy. Going forward, we expect standard delivery renewable energy from local and state renewable initiatives such as Renewable Portfolio Standards, voluntary renewable energy certificate ("REC") acquisition via renewable power purchase agreements, and utility green energy programs to deliver benefits toward our carbon neutral goal. Our renewable energy strategy considers trending of electricity generation at a regional level as this influences both the regional electricity grid emissions factors and the availability of renewable energy.

Charter retires the RECs from three solar sites, totaling approximately 5,000 MWh and avoiding approximately 1,000 metric tons of  ${\rm CO_2e}$  in 2022. One of these three solar arrays is on the roof and grounds of our core operations at the Charlotte National Data Center which has generated approximately 8,500 MWh since 2015.

In addition, Charter is committed to providing capital for projects promoting renewable energy via tax equity investing. In 2022, Charter provided tax equity investments for two solar projects that together are expected to generate at least 800,000 MWh of clean energy to the grid each year.









#### **Fleet**

Our technicians perform a critical function to keep our customers connected and to service our network via our fleet. We continue to focus on fleet and fuel efficiency initiatives as fuel consumption comprises approximately 23% of our Scope 1 and 2 emissions. Charter systematically replaces older vehicles to increase the efficiency of our fleet and leverage new technology. For example, we installed telematics devices in vehicles to optimize routing. Our overall truck roll count decreased in 2022 compared to 2021 and 2020 as a result of self-installations, lower customer churn, and operational efficiencies. Altogether, the fuel avoided from these 2022 fleet efficiency efforts equated to a reduction of approximately 6,000 metric tons of CO₂e. As we increased our miles driven with our rural construction expansion, proactive maintenance, and growth of our business, we continue our operational efforts for fuel efficiency even as our business expands. The vast majority of our technicians take their assigned vehicles to their residences each night and drive directly to their first job the next day. We estimate the total emissions avoided by our technicians not having to commute to a central location to be over 3,500 metric tons of CO<sub>2</sub>e per year.

We continue our study of the feasibility of introducing electric vehicles to our fleet. We determined that a multi-year, phased pilot of a number of electric vehicles in different geographies is necessary in order to collect meaningful data and evaluate future viability. We believe we will not have the ability to ultimately utilize electric vehicles to fully reduce the carbon emissions of our fleet due to (i) impact on business continuity from prolonged electricity outages due to severe weather events, (ii) distance per charge being less than the estimated range of our vehicles, given additional vehicle weightage from upfitting and extreme temperatures, (iii) the average daily mileage of a substantial proportion of vehicles being greater than the expected charge range, and understanding that our average daily mileage will increase in areas expanding with rural construction, (iv) ability to install dedicated charging stations with close proximity to Level 3/direct current fast chargers for backup, and (v) supply chain issues impacting electric vehicle availability. We will continue to monitor factors that may influence the feasibility of using electric vehicles, such as upgrades to electric vehicle technology, expanded charging infrastructure, schedule of vehicle replacements, and our operating model that involves technicians taking their vehicle home overnight.

#### **VALUE CHAIN**

#### STB energy efficiency

We are a founding signatory in the Voluntary Agreement for Ongoing Improvement to the Energy Efficiency of Set-Top Boxes ("STB Efficiency Initiative"). According to D+R International's most recent Annual Report, the parties to this voluntary agreement have:

- Reduced the national energy footprint of STBs by 57% from 2012 to 2021
- Saved customers \$2.5 billion on their electricity bills in 2021
- Avoided nearly 13 million metric tons of CO<sub>2</sub>e emissions during 2021

Internet Protocol ("IP") STBs now account for a substantial number of purchases and consume far less energy than the DVRs that were the focus of the STB Efficiency Initiative. In 2023, even more efficient targets will take effect for STBs, including a 62.5% reduction in the base emissions allowance for IP STBs. Our participation in the STB Efficiency Initiative will continue to increase our energy efficiency and reduce emissions associated with the use of our STBs.

#### **SNE energy efficiency**

We are also a participant in the Voluntary Agreement for Ongoing Improvement to the Energy Efficiency of Small Network Equipment ("SNE Efficiency Initiative"), whose goal is to improve the energy efficiency of routers, modems, and network extenders. Recently, the SNE Efficiency Initiative signatories announced more rigorous SNE energy efficiency targets to take effect beginning in 2023 and for the first time had an "energy efficiency advocate" join the agreement to ensure continued progress.

Since the inception of the SNE Efficiency Initiative, demand for faster speeds and stronger WiFi has developed rapidly. From 2017 to 2021, Charter's flagship service speed tripled from 60 Mbps to 200 Mbps (and is currently 300 Mbps), and our customers' average monthly data consumption rose from 200 gigabytes to 600 gigabytes, while Charter's SNE "emission intensity" (energy use relative to average broadband data usage), decreased by approximately 63% between 2017 and 2021. Charter successfully delivered more robust services that customers use to work, learn. and stay connected while decreasing the amount of energy that SNE consumes on a per byte basis.

Charter's website contains more information about these initiatives, including links to the energy consumption of new models deployed by Charter.





#### **Design for Reuse**

Design for Reuse is a program within Charter aimed at utilizing the industrial design process to extend the longevity of useful product life, which in turn reduces indirect carbon emissions. This program enables Charter to innovate ways to reduce and reuse materials, while analyzing the impact of the program across different lines of business. There are two major initiatives that the program is currently implementing and investigating. First, the program focuses on increasing the rate of refurbishment of certain customer premise equipment and the reuse of materials. The second initiative analyzes self-installation kits and identifies opportunities to reduce both materials used and emissions produced. Given that the core aspects of the program require manufacturing, implementation, and distribution of equipment, collecting raw data for analysis from the program's implementation requires a multiyear effort.

In connection with our WiFi 6 router, Charter implemented the equipment refurbishment aspect of this program, which can reduce emissions by reusing existing equipment. The process involves receiving damaged equipment, replacing the exterior housing, and then redeploying the equipment. In 2022, Charter performed a lifecycle assessment of our WiFi 6 router to estimate all emissions from material extraction, manufacture, distribution, and use in a customer home through recycling and end of life. The estimated emissions reduction for every cosmetic refurbishment, fan replacement, and repair was estimated to be approximately 22 kg of CO<sub>2</sub>e per unit. Going forward, equipment refurbishment is expected to be implemented on all Charter designed equipment.



#### Mobile

We have programs that help mitigate customers' need for new mobile devices. One of the leading Spectrum Mobile™ service product offerings is the "Bring Your Own Device" ("BYOD") program, where customers bring devices they already own to our network, extending the lifespan of the device.

Spectrum Mobile<sup>™</sup> also provides competitive trade-in offers plus extra promotional credits towards a new device for customers who trade-in previously owned devices. We then sell these trade-in devices to third parties for reuse and recycling. Additionally, many of our mobile devices are now activated with a built-in electronic SIM ("eSIM") card, therefore no longer requiring a physical SIM ("pSIM") card to be provided.

Since 2018, the Spectrum Mobile<sup>™</sup> trade-in program has helped recover rare resources and diverted over 180 tons of mobile devices from potentially being discarded. Altogether, these programs avoided over 60,000 metric tons of CO<sub>3</sub>e in 2022.

#### Reducing waste and recycling

We are committed to protecting our environment by complying with environmental laws and regulations and Company standards and guidelines. To achieve that objective and implement best practices, the Company has material reuse and recycling take-back programs to internally reuse collected materials within Charter's operations, if possible. Materials that we can no longer use within the Company are dispositioned through resale programs as appropriate, where other companies can purchase and reuse the materials. Many of the materials that can no longer be reused for their originally intended purposes are recycled by companies certified to the Responsible Recycling ("R2") and/or e-Stewards standards. In 2022, we recovered 27,818 metric tons of materials through take-back programs for CPE, CPE remote controls, power supplies, IT equipment, network equipment, and mobile devices.

# CONNECTED COMMUNITIES

The capabilities of our network combined with the generosity and hard work of our workforce are key levers in Charter's ability to help uplift our communities—whether through our programs to expand access to our products and services, advance customer protection online, bridge the digital divide, improve community centers in the neighborhoods where we live and work, or report on local news.



# EXPANDING ACCESS TO OUR PRODUCTS AND SERVICES

#### **RURAL CONSTRUCTION INITIATIVE**

Millions of households and businesses—especially among vulnerable communities and in rural areas—still lack access or have not adopted broadband Internet service. High-quality, high-speed Internet access supports new employment opportunities, enables remote work, remote education, and telemedicine and expands the innovative aspects of the knowledge and information economy. Our rural construction initiative presents a strategic expansion opportunity to unserved and underserved communities. We will provide these newly served communities with reliable connectivity service.



Our goal is to expand our network to provide high-speed broadband access to more than one million unserved and underserved rural customer locations by investing over \$6 billion by 2027 through our rural construction initiative.

In 2022, we invested \$1.8 billion and constructed over 200,000 passings as part of our rural construction initiative. We expect to invest over \$6 billion, a portion of which we expect to offset with government funding including over \$1.7 billion of support awarded through December 31, 2022 in the Rural Digital Opportunity Fund ("RDOF") auction and other federal, state, and municipal grants, and we expect to participate in additional federal, state, and municipal grant programs over the coming years. This investment will allow us to offer a suite of broadband connectivity services including fixed Internet, WiFi, and mobile to more than one million estimated passings in unserved areas in states where we currently operate. We expect to add over 130,000 miles of new network infrastructure to our over 800,000 existing miles. To accomplish all of this, we have invested in new teams, new training, and new equipment.

#### **AFFORDABILITY**

Expanding broadband access goes beyond geographical reach, as it also means expanding affordability. One of Charter's fundamental principles is to provide quality services at low rates. We offer our residential services on a month-to-month basis with no annual contract, allowing customers to cancel their monthly subscriptions at the end of their monthly service period without an early termination fee. We have specialized offerings to enhance affordability for particularly vulnerable populations.

We are making our Internet product more accessible and affordable through Spectrum Internet® Assist, our standalone, low-cost Internet service. This low-cost, high-speed 30 Mbps service is available to eligible low-income families and seniors across our footprint. In 2022, we began offering Spectrum Internet 100, a 100 Mbps, low-cost broadband service available to eligible low-income households. Both Spectrum Internet® Assist and Spectrum Internet 100 have no data caps and no modem fees.

We have also been a day-one participant in the Federal Communications Commission's ("FCC") Affordable Connectivity Program ("ACP"), which provides eligible low-income households with up to \$30 per month towards Internet service. The program makes quality, high-speed Internet service available at a low- or even at nocost to eligible families.

Our Spectrum Enterprise Stay Connected K-12 program enables schools to offer high-speed, cable broadband Internet access directly to their students, educators, and staff in their own homes, so learning and teaching are uninterrupted. Stay Connected K-12 combines the speed and reliability of Spectrum Internet with simplified program management as students' families and faculty members are not billed for the service. Stay Connected K-12 is flexible, allowing school districts to add students when needed with no minimum term commitment on any of the connections.







In April 2023, Charter will receive the Helen Keller Achievement Award from the American Foundation for the Blind ("AFB"). In honor of Helen Keller, the AFB seeks companies that have made notable strides to expand inclusion for people with disabilities in the areas of employment, product accessibility, inclusive services, training, outreach in the community, and collaborative efforts with other accessibility groups.

#### **ACCESSIBLE PRODUCTS AND SERVICES**

Based upon an internal analysis using American Community Survey data from the U.S. Census for 2014-2019,<sup>20</sup> more than one out of eight people in Charter's footprint have a disability. In some of our largest designated market areas<sup>21</sup> and pockets outside our largest cities, our rate of people with a disability is significantly higher than the national average. With this meaningful opportunity to serve people with disabilities, we are committed to delivering high-quality programming and content and making our products fully accessible.

Charter's Accessibility practice is centered around the belief that people with disabilities are best positioned to advise the product and experience development process for persons with a disability. Half of our Accessibility Center of Excellence employees are people with disabilities, including native assistive technology users, to make sure we are creating universal product experiences throughout our product and technology.

We strive to make Charter a destination for hiring people with disabilities, and we work to ensure our employees have the tools and services they need to be productive and successful in their careers at Charter. We also host a dedicated team of disability support agents in our El Paso, Texas call center to ensure specialized support for our customers with disabilities. These customers can communicate with our agents directly over the phone or by chat messaging, further enhancing our accessible experiences.

Charter is an industry leader in product experience offered through traditional cable service, with features like Spectrum Guide with Guide Narration, and accessibility shortcuts on remote controls that allow users to quickly toggle settings like Closed Captioning, Audio Description, and Guide Narration. The Spectrum TV app, available on multiple platforms, has also received consistent praise for the accessibility experience by those utilizing text-to-speech and other accessibility features.

Additionally, we offer the Spectrum Access application, our unique product that provides a library of Audio Description and Closed Captioning content. The application is available to everyone in the U.S., regardless of their provider, for free. The Spectrum Access application has enjoyed steady growth since its launch in May 2020, with the number of downloads doubling in 2022. The Spectrum Access application now allows users to view the captions in an "Open Captions" format, allowing those who might need a little extra time to consume the text due to low vision, to move through the text at their own pace. The application also provides support that allows electronic Braille displays to consume captioned text, providing support for those who are experiencing both hearing and vision disabilities. These features follow the notable capability of using the app to customize the sound of the entertainment track along with the Audio Description through the user's Bluetooth hearing aids.

<sup>&</sup>lt;sup>20</sup> American Community Survey data is from the U.S. Census Bureau and is used to define the Charter footprint using the Zip Code Tabulation Area ("ZPTA").

<sup>&</sup>lt;sup>21</sup> Designated market areas is a term used to define a company's television and radio markets within their service area.



CEO Letter

Our ESG Approach

# PROTECTING CUSTOMER DATA, PRIVACY, AND SECURITY

#### CYBERSECURITY AND PRIVACY AT CHARTER

As a connectivity provider, we take the protection of our customers' privacy seriously. We value and rely on their trust and loyalty.

#### **Policies**

Charter maintains a series of privacy-related disclosures across all business lines and subsidiaries addressing the personal data of its customers and consumers of its products and services, including a comprehensive, consumer-facing privacy policy that applies to all Charter consumer-facing products, services, websites, and applications, as well as consumer interactions with our call centers, stores, and online tools. Charter maintains additional consumerfacing privacy policies that address certain state-specific legal privacy requirements, such as our California Consumer Privacy Policy, as well as other consumer-facing privacy policies that apply to certain services or practices, such as the Company's Biometric Data Privacy Notice and Internet DNS Privacy Notice. These privacy policies provide consumers with the information they need to understand Charter's data collection and use practices, and offer consumers the opportunity to exercise meaningful choice with respect to how Charter uses data. For example, as described in our privacy policies, Charter does not use details of our Internet subscribers' Internet use, such as web browsing history, as part of our process of delivering advertising. Charter also does not sell or otherwise share information that personally identifies our customers—including their Internet usage information, video usage information, or call detail information—to third parties for those third parties' own use, such as marketing or advertising of their own products and services. We have also long called for a strong federal framework to protect consumers' privacy online: to help protect those we service and build confidence that their personal information is safeguarded.

Our <u>Spectrum Privacy Policy</u>, as well as additional information about our overall privacy practices, is available to consumers on our <u>website</u> and can be accessed from any Spectrum-managed webpage or application a consumer visits. The Spectrum Privacy Policy describes the types of information we collect and from whom (i.e., directly provided by a consumer or via a consumer's interaction with one of our products); how we may use that information, including whether we disclose, share, or sell that information to service providers or third parties; the choices our consumers have regarding such use and sharing, including marketing and advertising preferences; and the consumer privacy rights that may be available under applicable



law when they subscribe to or interact with Spectrum services or based on their state of residency. In an effort to minimize data collection and retention, Charter retains information only as long as the information is needed to carry out a specific business purpose, unless it is required by law to retain the information for a longer period. The retention period depends on the business purpose for which the information is used, as well as any legal or regulatory requirements that may apply. Charter maintains a comprehensive retention schedule outlining the applicable retention period for a broad range of categories of information. Charter also complies with its legal and regulatory obligations under applicable state and federal laws, such as the state California Consumer Privacy Act ("CCPA") and the federal Cable Act, which may grant consumers the right to access, delete and correct personal information that the Company has collected about consumers. Although there is no uniform legal right to rectify customer information in the United States, Charter addresses customer requests to correct information pursuant to the federal Cable Act and applicable state privacy laws, like the CCPA and Virginia Consumer Data Protection Act ("VCDPA"), on a case-by-case basis after authenticating the customer and verifying the requested change information. For example, we may rectify certain account information, such as the contact/billing information we have on file about subscribers or other personal information in our records that we verify is inaccurate, and we are closely monitoring the evolution of privacy rights at the state and federal levels to ensure not only compliance with the law but also our ability to meet our customers' expectations.



The Spectrum Privacy Policy reflects one of our core business values—providing consumers with innovative and superior products and services while, at the same time, offering choices about how we use information about consumers to achieve that objective, including:

- Communicating our privacy practices in a lawful and transparent manner that is easily accessible and clearly describes consumers' choices, including obtaining consumer consent where required and including consumer data consent obligations on our business partners in our agreements with them.
- Not profiting from the transfer of consumers' personally identifiable information ("PII") to a third party this includes our customers' web browsing history, call detail records, and television viewing activity.
- Giving customers advance notice of any changes to our privacy commitments and always posting our most current version of the Spectrum Privacy Policy at <a href="https://www.spectrum.com/privacy">www.spectrum.com/privacy</a>.

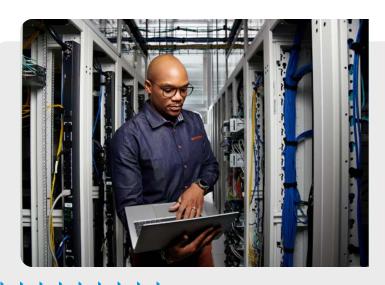
- Offering consumer choices about how we may use their information for our own marketing purposes, as well as choices with respect to our use of consumer information for advertising purposes. Charter notifies consumers of data sharing pursuant to applicable U.S. laws and regulations.
- Securing consumer information through the use of reasonable measures, including industry-standard practices and technical, administrative, and physical safeguards tied to the type and sensitivity of the information.
- Implementing leading data protection standards, informed and influenced by standards recommended in the National Institute of Standards and Technology ("NIST") cybersecurity framework, setting access restrictions, and encrypting consumers' PII as a matter of course.

Charter maintains a comprehensive series of internal policies governing access control and protection in place for various types of data classifications, including enhanced requirements for personal or sensitive data (which may include account information, location data, customer proprietary network information ("CPNI"), payment card industry data, and other types of personal information). For example, Charter maintains heightened access restrictions for customer information, including requiring not only customer authentication, but also internally protecting such data through managed access rights to such data by limiting access to only those personnel with a legitimate business need to know, restricting the use and/or transfer of such data to third parties, setting specific requirements for the permissible handling and transmission of such information (e.g., encryption, password-protection), and monitoring for unauthorized access to such information. These precautions include standards and controls based on the information classification of the data, as well as standards for protecting, handling, labeling, duplicating, distributing, storing, transporting, and disposing of data. Charter also extends these internal policy requirements and controls to its vendors and service providers who will have access to or provide services involving consumer or Company information, and also requires such vendors and service providers to acknowledge and adhere to the principles of Charter's privacy policies.

#### Security and privacy governance

Charter has a Cyber Security Council ("CSC"), Security Operations Steering Committee ("Security OSC"), and Security Executive Steering Committee ("Security ESC") that collectively focus on cybersecurity across the Company and the overall protection of the Charter internal network and related processes, policy, training, and actions to protect customer and employee data. The CSC, which meets monthly, or more frequently as needed, is comprised of senior leaders across the organization and operates under the auspices of the Security ESC, which is ultimately accountable under the Company's enterprise risk management program for cybersecurity. The Security ESC is led by the senior executives in our information technology and network operations groups and is comprised of senior executive leaders across the organization with the goal of driving cybersecurity focus through not just technical teams, but the entire business. The Security ESC meets monthly to discuss current cyber threats and risks and improvements to our program and provides quarterly updates to the CEO as well as updates on any urgent matters. The Audit Committee of the Board is responsible for consumer data privacy issues that may impact the Company, as well as the Company's plans to mitigate privacy and cybersecurity risks, including complying with evolving data privacy laws and regulations.







#### Program evaluation and audits

We have a comprehensive cybersecurity program to manage cybersecurity risk that leverages the NIST cybersecurity framework to inform, evaluate, and continuously improve our cybersecurity program. Our security policies, procedures, and technologies are influenced by NIST 800-53 for security controls. Our teams perform regular threat assessments, vulnerability scans, and targeted penetration testing. Our Internal Audit function executes an annual audit plan that includes regular audits of cybersecurity related processes and internal controls through operational IT control audits, our annual compliance assessment of Payment Card Industry Data Security Standards, and the annual assessment of internal controls over financial reporting. We also regularly work with external consulting firms to conduct independent evaluations of our cybersecurity program.

We also conduct periodic privacy risk assessments at the enterprise level that include review of our individual products and services and how our practices may affect customer data. These privacy risk assessments occur throughout the product life cycle, including when our data collection and use practices may change.

#### **Incident response**

In the event of an incident, Charter follows its data breach and incident response plan as well as an incident management process. Charter's incident response plan includes policies that govern executive escalations and notifications involving cyber events and incidents. Our Security Operations Center monitors, detects, and responds to security incidents, in accordance with our incident response plans, that are maintained at the technology and business unit level. We also notify relevant state and federal authorities, such as government regulators, enforcement agencies, and law enforcement agencies, and impacted individuals and businesses as warranted based on applicable laws, regulations, industry standards, and other factors. In cases where notification may not be warranted, we may share relevant information about a data privacy or cyber event or incident with government partners, law enforcement agencies, and industry associations on a case-by-case basis.

#### Training

All of our employees receive cybersecurity and data privacy management training on at least an annual basis, and we conduct regular cybersecurity and privacy awareness-raising activities on the latest cybersecurity trends and privacy implications affecting customer data. Some functional departments with increased exposure to sensitive information receive additional and more frequent training, as appropriate. Our agreements with contractors and service providers who handle or have access to consumer information also require them to receive cybersecurity and data privacy training, in accordance with our standards and/or applicable laws and regulations, and in some instances, they are also required to certify or acknowledge compliance with training obligations.

#### **Contractors and business partners**

Charter

The Company requires all contractors, service providers, and business partners with access to personal information or critical IT environments to review and adhere to our security and privacy policies and related standards of how we treat data, what information we collect from customers, how and under what circumstances such data can be used, and how such data should be treated and handled. Our contractor agreements explicitly require our contractors to abide by specific policy requirements, particularly for third-party data-processing activities. In our due diligence and selection process, we also require contractors to complete a cybersecurity and data privacy questionnaire that includes questions about contractor track record. For existing contractors, we monitor for scope of service changes that impact access to personal information, and if there are such changes, the contractors are required to undergo a reassessment of our full questionnaire and potential additional contracting requirements around data privacy.

Charter places security-related contractual obligations on our third parties, including, but not limited to, access controls, vulnerability management, secure coding practices, breach notification, and security awareness training. For vendors that offer Software as a service ("SaaS") solutions that involve PII, we also generally require third-party attestation of their security practices such as a System and Organization Controls 2 ("SOC 2") report or ISO27001 certification. Charter's internal policies govern the Company's rules for sharing, disclosing, and making available consumer PII to third parties, whether those third parties are acting as the Company's agent or non-agent. The requirements of these policies are also included in vendor, service provider, and third-party contractual agreements.



#### **SECURITY OFFERINGS**

#### **Advanced WiFi**

We have completed our rollout of Advanced WiFi, which is now available to 100% of Internet serviceable homes passed. With the mission to optimize home networks, Advanced WiFi provides Spectrum Internet® and WiFi customers a managed WiFi solution to ensure exceptional connectivity to all the devices in the home, with detailed visibility and control over connected devices on their home networks through the My Spectrum application.

The network scheduling feature, which provides customers with control over WiFi availability for certain devices and times of day, enables parental control schedules to be set for children's devices. Advanced WiFi also enables customers to limit access entirely to unknown devices attempting to get on the network. This offering is built on a software platform that can launch additional network-based security and control features for customers. Advanced WiFi also provides remote telemetry for Charter service representatives, enabling a heightened ability to identify and resolve issues, and provides superior customer support while minimizing the need to send technicians to customers' homes.

In 2022, we deployed Spectrum Security Shield, an artificial intelligence enabled cybersecurity solution for Advanced WiFi customers, across our residential footprint. This automatically-enabled security capability defends customers and their devices from Internet threats while also providing enhanced network visibility for the customer. Spectrum Security Shield automatically detects and blocks malicious websites, phishing scams, and Internet-originated attacks against devices in the home. Through the My Spectrum application, customers have the ability to view the devices that are connected to their home network and the threats that have been detected and blocked by Spectrum. In 2022, Spectrum Security Shield blocked over 1.4 billion threats.

#### **Spectrum Enterprise**

We offer enterprise customers multiple network security services to safeguard against Internet threats and protect their network operations. Distributed Denial of Service ("DDoS") Protection is a subscription-based service that protects customers' networks against volumetric attacks by automatically identifying and mitigating threats. Managed Security Service strengthens customers' Internet security by providing a fully managed and maintained firewall to protect against threats while securing site-to-site and remote connections.



## INVESTING IN THE COMMUNITIES WE SERVE

Charter invests in communities where our customers and employees live and work, helping communities become more connected, stronger, and better prepared for the future. We are committed to impacting lives based on community improvement goals that are realized through high-quality and affordable services, programs focused on strategic philanthropic investments, in-kind support, and employee engagement. Our philanthropic efforts include programs that promote digital inclusion through digital education grants and technology resources for nonprofits, enhance small businesses through low-cost loans and technical assistance grants, and address key human services, such as housing, food, and job training, through investments in nonprofit organizations in rural and urban communities.

#### SPECTRUM COMMUNITY CENTER ASSIST

**Spectrum Community Center Assist progress since inception:** 

25 Community centers revitalized

\$3.1

Investment in community centers

In 2021, Charter launched Spectrum Community Center Assist ("SCCA"), a \$30 million philanthropic initiative to revitalize community centers and invest in job training programs in underserved rural and urban communities across our 41-state footprint. Our goal is to improve 100 community centers, impacting an estimated 50,000 residents. Since launching the program, we have invested \$3.1 million to revitalize 25 centers, enabling the centers to enhance their job skills training programs and outreach to local communities.

Our accomplishments to date are the result of partnering with national and local nonprofit organizations to identify and improve



community centers. We invest in the centers' job training efforts with cash grants and in-kind contributions, while engaging employee and community volunteers to improve classroom spaces and revitalize other areas of the community center through renovations and the provision of technology and equipment to enhance participants' learning experience, including laptops, smartboards, and furniture. Additionally, because broadband is a critical component of a community center's infrastructure, we provide each community center with advanced 1 Gigabits per second ("Gbps") Internet service.

Charter launched SCCA in Missoula, Montana with Opportunity Resources Inc., an organization that partners with 75 businesses to provide people with disabilities opportunities to obtain meaningful employment. In addition to financial assistance, Charter's upgrades to its facility included the new Spectrum Training and Technology Center, which enabled Opportunity Resources to enhance its operations and training programs focused on fields such as construction cleanup, manufacturing production and general woodworking.

"We greatly appreciate support from the Spectrum Community Center Assist program. The financial support will allow us to further pursue competitive and integrated employment opportunities, specifically helping people with different abilities find meaningful employment in our community and the new computers and office equipment will help us to improve staff training, which will result in quality outcomes for the people we serve."

**—KURTIS MAYNE** 

Director of Vocational Services for Opportunity Resources, Inc.

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CEO Letter





In 2022, Charter awarded \$1.1 million in grants to 47 nonprofits, increasing Spectrum Digital Education's total investment to \$8 million in grants plus in-kind donations.

#### SPECTRUM COMMUNITY INVESTMENT LOAN FUND

The Spectrum Community Investment Loan Fund ("Loan Fund"), with over \$26 million in committed loan capital, capacity grants, and in-kind contributions, invests in businesses located in economically-underserved communities. By offering loans directly to local businesses or through Community Development Financial Institutions ("CDFIs"), the Loan Fund provides growth capital, creating new jobs and strengthening the economic infrastructure in both rural and urban areas. The Loan Fund directly invests in the communities where Charter's employees and customers live and work, and issues grants to provide technical assistance and small business education to local business owners. The Loan Fund has made commitments to 14 CDFIs in as many states, covering nearly 85% of the Company's footprint. The Loan Fund has financed over 900 loans to small businesses, leading to the creation of approximately 4,000 jobs in Charter's operating regions thus far, based on data obtained from our CDFI partners.

#### SPECTRUM DIGITAL EDUCATION

Charter funds programs offering broadband education, training, and technology through Spectrum Digital Education. Nonprofit organizations that receive grants through this program align with the Company's desire to educate community members on the benefits of broadband to improve their lives. In 2022, Charter awarded \$1.1 million in grants to 47 nonprofits, increasing the program's

total investment to \$8 million in grants plus in-kind donations. Since the program launched in 2017, Charter has benefited over 108,400 community members, distributed approximately 13,400 devices and sponsored approximately 30,100 classes focused on broadband education across the Company's footprint. One grantee, LGBT Tech Institute, has leveraged its awards to provide access to devices, connectivity, and digital literacy training for homeless and disadvantaged LGBTQ individuals across our service footprint, enabling individuals to foster independence by connecting with crucial services.

#### SPECTRUM EMPLOYEE COMMUNITY GRANTS

Spectrum Employee Community Grants assist nonprofit organizations where our employees volunteer that provide critical services, such as food pantries, homeless shelters, and job placement programs. An employee who has volunteered with a nonprofit for at least one year may nominate an organization to receive funding, enabling them to further their mission. For example, an employee in Appleton, Wisconsin nominated Harbor House Domestic Abuse Programs, and the organization received a \$5,000 contribution to support families experiencing domestic abuse including access to safe shelter, a 24/7 crisis helpline and emergency transportation. Since July 2019, Charter has awarded 539 Spectrum Employee Community Grants totaling approximately \$1.5 million, including in-kind contributions.

#### **SPECTRUM NEWS**

Spectrum Networks operates 37 news networks across 12 states as well as a bureau in Washington, D.C. Spectrum News is an important part of Charter's commitment to the communities we serve. Our local approach to journalism connects neighbors, builds strong communities, and strengthens democracy. With journalists embedded in local communities, Spectrum News provides original hyperlocal stories, news, and weather reports, along with issuesbased and objective public affairs programming relevant to viewers. Spectrum News journalists are at school board meetings, on the steps of city halls and state capitols, and seated at local diners talking with local business owners. Our journalists live and work in the areas they cover, allowing them to tell the stories of everyday people, listen to their neighbors, and report on the issues that have a direct impact on peoples' lives.

Spectrum News is committed to providing fact-based and unbiased content to support informed decision-making, particularly on sensitive, human rights, and democracy issues, while respecting diversity, freedom of expression, and intellectual property rights. Examples of this commitment include the following:

• We monitor media ethics through an anti-bias program that includes engaging with an outside media monitoring company to assess various forms of bias in our content, including unconscious bias. We also partnered with several local, nonpartisan, and nonprofit content producers to provide additional perspectives in our coverage as part of multi-stakeholder initiatives.

• The Spectrum Networks Diversity & Inclusion Task Force supports our belief that unique experiences create a diverse network of voices that enriches our work environment and helps us better connect with the communities we serve by deepening our storytelling and quarding against bias.

Our commitments are further reinforced by the Group Vice President ("GVP") of Spectrum Networks News Standards and Practices who oversees and is responsible for news principles and journalistic standards as defined in our <u>Spectrum Networks News Standards and Practices Policy</u>. Vice Presidents of Content, News Directors, and Managing Directors monitor local content to ensure compliance with our standards and guidelines. Our News Standards and Practices Policy is reviewed and revised for relevancy on a continual basis. In addition to acknowledging the review of the policy on an annual basis, all Spectrum Networks employees are required to complete annual training on our standards to help guide our journalists' behavior and editorial independence.

Spectrum Networks is supported by a News Standards Advisory Committee, which was created to help Spectrum Networks answer some of the most difficult questions around journalism ethics, freedom of expression, and social responsibility. We encourage our employees to report any violation of the policy or our standards. The GVP and News Standards Advisory Committee are responsible for oversight of compliance with our standards and review any reported violation. The GVP is responsible for collecting and tracking all reported violations and resolutions in a consistent approach across Spectrum Networks.





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CEO Letter







#### ADDITIONAL CUSTOMER COMMITMENTS

#### Responsible marketing

We are committed to promoting our products and services responsibly by putting our residential and business customers at the forefront of everything that we do. This starts with creating Spectrum marketing materials in a manner that complies with our legal and regulatory commitments as well as our own internal standards and policies. We ensure customer-facing marketing materials are truthful and accurate, and that they communicate the value of Spectrum products in a straightforward, easy to understand manner. Refer to our <u>Responsible Marketing Principles</u> for further information on this commitment.

#### **Customer satisfaction**

We are committed to customer satisfaction through first-rate customer service and thorough complaint resolution processes. Customers with a question or complaint may contact us via phone, chat, or U.S. Postal Service; we also offer a 24-hour hotline, maintained by a third party, which allows whistleblowers, employees, contractors, vendors, customers, and others to raise concerns. Customer complaints, including those received by regulatory agencies and Charter's senior executives, are taken very seriously with our rigorous, best-in-class process to address customer complaints immediately and efficiently by assessing the customer's concerns and researching previous interactions to determine the series of events and next steps. Additionally, the learnings from this process are leveraged to drive people, process, and technology improvements across the organization and deliver an excellent customer experience. Charter has a dedicated Customer Complaints team that facilitates the complaint handling process. Our process involves extensive review of the customer's experience, identification of root cause(s), and expeditious resolution of all customer issues.

## **ESG METRICS**

Charter has formalized a number of operating metrics within each pillar of our framework to track and measure performance across our ESG focus areas. The table below highlights our efforts during the fiscal years ended December 31, 2022, 2021, and 2020, unless otherwise noted.

Focus Area	Metric <sup>22</sup>	2022	2021	2020
HIGHLY SKILLED WORK	CFORCE			
Training and investing in our employees	Total number of aggregate training hours	9.3 million hours	7.1 million hours	5.1 million hours
	Total number of learning experiences (e.g., courses) available at Charter	101,000 learning experiences	88,000 learning experiences <sup>23</sup>	75,000 learning experiences <sup>25</sup>
	Total dollars invested in training	\$357 million	\$277 million	\$209 million
	Percentage of hourly employees who make at minimum \$20 per hour <sup>24</sup>	100%	70%	55%
Enabling a diverse and inclusive culture	Total diverse representation by race and ethnicity <sup>25</sup>	51%	49%	48%
	• Black/African American	21%	21%	21%
	• Hispanic/Latino	19%	18%	17%
	• Asian	5%	5%	4%
	Percentage of the workforce that is female	34%	33%	34%
	Percentage of the workforce that are veterans	8%	9%	9%
	Percentage of the workforce that are individuals with disabilities	6%	6%	5%
Focusing on a safe and healthy workplace	Total recordable injury rate ("TRIR") <sup>26</sup>	2.1	2.2	2.4

 $<sup>^{22}</sup>$  Please see each respective section of this report for more information and methodologies for these metrics. Percent values are rounded to the nearest whole number.

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<sup>&</sup>lt;sup>23</sup> Total number of learning experiences for 2021 and 2020 have been updated to reflect current year methodology.

 $<sup>{}^{24}\</sup>hbox{The calculation of this metric includes target commissions for commission-based employees}.$ 

<sup>&</sup>lt;sup>25</sup> Total diverse representation includes all race and ethnicity categories (including Native Hawaiian/Pacific Islander, Native American/Alaska Native, and two or more races in addition to the categories listed).

<sup>&</sup>lt;sup>26</sup> The total recordable incident rate ("TRIR") represents a measure of the Company's safety performance and is calculated in accordance with OSHA's methodology. Refer to Focusing on a safe and healthy workplace for further details.



CEO Letter

Our ESG Approach

Highly Skilled Workforce

Superior Network

Focus Area	Metric	2022	2021	2020
SUPERIOR NETWORK				
Evolving our network to provide greater speed, resilience, and reliability	Capital expenditures, excluding line extensions	\$6.4 billion	\$6.0 billion	\$5.8 billion
Investing in the efficiency of the network to provide affordable services	GHG emissions from our operations <sup>27</sup>	1,512,779 MT CO <sub>2</sub> e	1,433,532 MT CO <sub>2</sub> e	1,474,549 MT CO <sub>2</sub> e
attordable services	GHG emissions from our value chain <sup>27</sup>	929,785 MT CO <sub>2</sub> e	1,007,783 MT CO <sub>2</sub> e	1,014,670 MT CO₂e
CONNECTED COMMUN	ITIES			
Expanding access to our products and services	Rural construction initiative—passings constructed during the period <sup>28, 29</sup>	Over 200,000	N/A	N/A
	Rural construction initiative—capital investment during the period <sup>29</sup>	\$1.8 billion	N/A	N/A
Protecting customer data, privacy, and security	Percentage of Internet serviceable homes passed where Advanced WiFi capability is available	100%	Over 96%	Over 65%
Investing in the communities we serve	Cumulative number of community centers improved through Spectrum Community Center Assist	25 centers	5 centers	_
	Cumulative dollar investment in Spectrum	\$3.1 million	\$0.6 million	_

Community Center Assist

 $<sup>{}^{27}\</sup>text{Refer to } \underline{\textbf{Understanding our sources of GHG emissions}} \text{ for an overview of our calculation methodologies and details on the value chain categories we include.}$ 

<sup>&</sup>lt;sup>28</sup> Of the over 200,000 rural passings constructed, approximately 120,000 were subsidized.

<sup>29</sup> While Charter has historically been committed to expanding access in rural areas, our formal initiative for rural construction commenced in 2022 and therefore, prior year data for the initiative is not applicable.

## SASB INDEX

The table below contains Charter's reporting of our ESG performance with reference to the framework for the Telecommunications Services industry standard. We do not currently disclose all indicators included in the standard but have focused on those most relevant to Charter where we have sufficient information. We will continue to evaluate areas for additional disclosure in the future. All data is as of (or for) the year ended December 31, 2022, unless otherwise noted.

Activity metric	SASB code	Charter's response
Number of wireless subscribers	TC-TL-000.A	Total mobile lines: 5,292,000  Residential: 5,116,000  Small and medium business: 176,000  For more information, please see our Form 10-K for the year ended December 31, 2022.
Number of wireline subscribers	TC-TL-000.B	Total Video customers: 15,147,000  Residential: 14,497,000  Small and medium business: 650,000  Total Voice customers: 8,983,000  Residential: 7,697,000  Small and medium business: 1,286,000  For more information, please see our Form 10-K for the year ended December 31, 2022.
Number of broadband subscribers	TC-TL-000.C	Total Internet customers: 30,433,000  Residential: 28,412,000  Small and medium business: 2,021,000  For more information, please see our Form 10-K for the year ended December 31, 2022.
Network traffic	TC-TL-000.D	218,467 petabytes <sup>30</sup>

Topic	Accounting Metric	SASB Code	Charter's response
Environmental footprint of operations	Total energy consumed	TC-TL-130a.1	15,773,952 gigajoules
	Percentage grid electricity		66%
	Percentage renewable		Immaterial—please see <u>Carbon neutral by 2035</u> for more information.

<sup>&</sup>lt;sup>30</sup> Includes all traffic over our advanced converged network, including video. Charter calculates an average to peak throughput ratio based on daily average and daily peak throughput. The average-to-peak ratio is multiplied against the peak for each day in the year, which is then summed for our total annual volume.



CEO Letter (

Topic	Accounting Metric	SASB Code	Charter's response
Data privacy	Description of policies and practices relating to behavioral advertising and customer privacy	TC-TL-220a.1	Please see <u>Protecting customer data, privacy, and security</u> .
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	TC-TL-220a.3	Charter discloses all material legal proceedings in our SEC filings.  In 2022, Charter did not disclose any monetary losses as a result of legal proceedings associated with customer privacy.
Data security	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-TL-230a.2	Please see <u>Protecting customer data, privacy, and security</u> .
Product end-of-life management	Materials recovered through take back programs	TC-TL-440a.1	27,818 metric tons <sup>31</sup>
Competitive behavior and open Internet	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-TL-520a.1	Charter discloses all material legal proceedings in our SEC filings.  In 2022, Charter did not disclose any monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.
	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	TC-TL-520a.2	Charter does not favor certain content and thus, the download speed of (1) owned and commercially-associated content and (2) non-associated content is the same.  Charter participates in the FCC Measuring Broadband America Fixed Broadband Report and has speed test results published in the report. The report can be found on the FCC website.
	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	TC-TL-520a.3	Charter supports an open Internet as an integral part of our commitment to deliver a superior broadband experience to our customers. We would support Congress passing legislation that sets forth clear, enforceable, and permanent rules to preserve an open Internet within a modern regulatory framework that encourages infrastructure investment and innovation. Charter's public statements on the open Internet can be found on our Policy website
Managing systemic risks from technology disruptions	Discussion of systems to provide unimpeded service during service interruptions	TC-TL-550a.2	Please see <u>Evolving our network to provide greater speed, resilience</u> and <u>reliability</u> .

<sup>&</sup>lt;sup>31</sup> The metric includes the weight of CPE collected by Charter's third-party vendors for in-warranty repairs. Charter reports this data by weight, not percentage.



## TCFD INDEX

The below table is a summary of our ESG activities with reference to the recommendations of the TCFD. Given CDP's general alignment with the TCFD recommendations, we do not respond to the CDP but have provided relevant CDP module numbers, for convenience.

Section	TCFD disclosure recommendations	Content in this report
Governance	Disclose the organization's governance around climate-related risks and opportunities.  (Relevant CDP Module: C1)	The Nominating and Corporate Governance Committee oversees Charter's ESG matters and receives quarterly reports from management regarding ESG and climate strategy progress. The Audit Committee reviews our ERM program on a regular basis, which includes reviewing threats to our network and our business, such as business continuity risks that include extreme weather. Management and the Audit Committee regularly report to the Board regarding the ERM program.
		Charter's CEO receives regular reports regarding ESG and climate strategy progress. Senior management also receives regular climate strategy updates from the business through our ESG, ESC, and OSC, and as a result of coordination across all business units to develop approaches supporting Charter's carbon neutral strategies. We have multiple cross-functional, climate-related committees that report to the OSC on data, reporting, and energy efficiency strategy implementation across the property portfolio. For more information about our governance practices, please see <a href="ESG governance">ESG governance</a> .
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	We annually conduct a climate risk assessment as an extension of our ongoing ERM process. This assessment evaluates the likelihood and severity of impacts across each category within the TCFD risk taxonomy to provide a risk rating. Specifically, we consider the following types of potential transition and physical climate-related risks:
	(Relevant CDP Module: C2)	Current and emerging regulation: As a company in a highly regulated business environment, emerging regulation and legislation are always relevant to our operations. In our risk assessment we consider the impacts of current regulation related to carbon pricing, but as Charter operates in the U.S., there is currently no such regulation in place that directly impacts our operations.
		Technology: We evaluate the upstream and downstream implications of technological improvements that support the global transition to a low carbon economy on, for example, 1) Charter's participation in the Voluntary Agreements for Ongoing Improvement to the Energy Efficiency of Small Network Equipment and of Set-Top Boxes; and 2) the potential costs of new technologies to support fleet electrification. To that end, we have been conducting a feasibility study for electrifying a portion of our vehicle fleet. For more information, please see <u>Carbon neutral by 2035</u> .
		Market and reputation: We regularly consider risks related to changing customer and investor expectations around climate and ESG matters. Our risk assessment considers the risk of customers changing their perception of and decisions related to Charter as a service provider. We also consider the risk of increasing investor pressure to improve climate disclosures and performance. In conjunction with the regulatory risks discussed above, this year we considered the potential cost of compliance with the Security and Exchange Commission's proposed climate-related disclosure requirements for public companies.



CEO Letter Our ESG Approach

