

F R O S T & S U L L I V A N

AT&T

2022 MARKET LEADER

UNITED STATES
NEXT GENERATION 911 INDUSTRY

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria for each nominated company. AT&T excels in these criteria in the NG911 space.

| AWARD CRITERIA | |
|----------------------------|-------------------------------|
| Growth Strategy Excellence | Technology Leverage |
| Implementation Excellence | Price/Performance Value |
| Brand Strength | Customer Purchase Experience |
| Product Quality | Customer Ownership Experience |
| Product Differentiation | Customer Service Experience |

Growth Strategy Excellence

The recent escalation of crime and active shooter incidents in the United States, coupled with a rise in natural calamities such as wildfires, hurricanes and severe weather has elevated pressure on states and counties that have not yet initiated NG911 deployments to accelerate deployments. NG911 represents an industry transformation that proactively enhances public safety by acknowledging and catering to the rapidly evolving demands, products, lifestyles, and technologies of citizens. In contrast to the legacy voice-centric enhanced 911 (E911) network, NG911 supports a more diverse set of internet protocol (IP)-based communications that enhance the speed, accuracy, and preparation of first responders. NG911 introduces an array of innovative features and functionality that significantly expand public safety capabilities, enabling the transmission of text, data, video, IP-based voice calls, and other 'connected' assets to public safety answering points (PSAPs) and/or first responders in emergency situations.

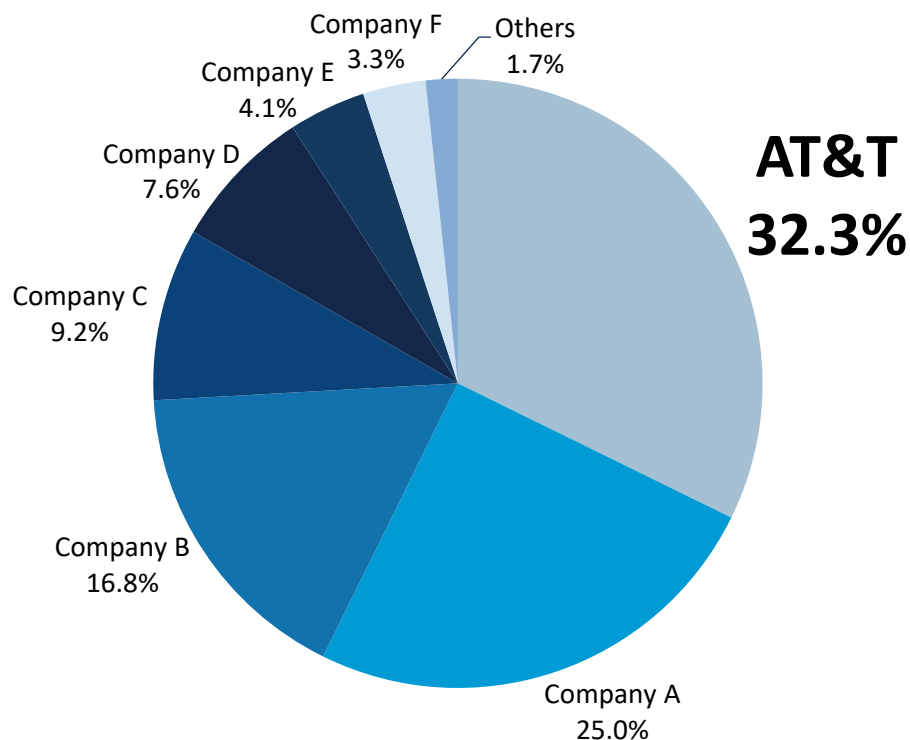
AT&T is at the forefront of the public safety sector providing industry-leading solutions that modernize communications and transform emergency reporting and response. By leveraging a legacy of proven experience and technical know-how in the public safety sector, AT&T continues to hold the market leadership position in NG911. More specifically, Frost & Sullivan research indicates that AT&T expanded its position as the leading NG911 primary contract holder in the United States over the course of '21, recording a market share of 32.3%.

"Frost & Sullivan's research indicates that AT&T was the leading NG911 primary contract holder in the US at year-end 2021, with an estimated market share of 32.3%. AT&T direct NG911 contracts covered a population of more than 75 million at year end 2021, leading all competitors in the U.S. market."

- Brent Iadarola,
Vice President, Frost & Sullivan

Frost & Sullivan market share metrics are based on the population covered by a primary NG911 contract holder. A closed NG911 contract constitutes a legal agreement between the purchasers of NG911 systems (generally, counties or states that control PSAPs) and the primary NG911 service provider. AT&T direct NG911 contracts covered a population of more than 75 million at year end 2021, leading all competitors in the U.S. market, according to Frost & Sullivan analysis.

Exhibit 1.0 NG911 Primary Contract Holders Market Share (YE 2021)



Source: Frost & Sullivan

Product Quality

NG911 award 'scorecards' tend to be significantly more weighted towards technical attributes and service models versus price. Frost & Sullivan research indicates that pricing considerations generally represent only 20% of the weight of a typical NG911 scorecard, versus 80% for technology and services. NG911 administrators are increasingly asking for 'one-stop shop' management of 'as-a-service' NG911 solutions.

The AT&T ESInet™ service model addresses evolving customer needs, providing a nationally distributed, geographically diverse and redundant service architecture designed to enhance the customer service experience. AT&T has a nation-wide network of data centers co-located with existing 911 databases across the U.S., which provide pre-deployed call processing (with capacity to support twice the entire United States 9-1-1 busy hour call volume). As a pre-built, 6 core national solution, the architecture is unique from competitive offerings and allows PSAPs to handle unexpected call volumes by automatically redistributing these calls to neighboring PSAPs.

Moreover, security, cybersecurity, and hacking concerns are consistently cited as top issues for NG911

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customers. In fact, raised standards for security, with stringent requirements, have been evident in many recent NG911 RFPs. To address these concerns, AT&T's ESInet solution consists of multi-layered network security, which allows users to minimize risks and disruption by seamlessly integrating encryption, firewalls, and intrusion detection and prevention controls.

Customer Purchase/Ownership Experience

States administrators are generally not risk takers and often do not have the resources, expertise, or patience to manage the complexities of NG911 in-house. They are looking for vendor stability, proven deployments, and compliance with industry standards. AT&T's managed, as-a-service model for NG911 addresses these concerns and reduces the complexity of deployments for customers. Moreover, the AT&T ESInet™ is backed by standard service level agreements (SLAs) for availability, call delivery, call quality, and provisioning. This approach provides customers with a consistent and reliable experience for predictable provisioning and implementation.

There has been significant momentum in the number of state-wide awards over the last 18 months. The NG911 land grab is closing rapidly as approximately 70.5% of the population is now covered by contracts. While competition remains fierce for the remaining 29.5% of the country not currently under contract, repeat business and renewals of existing contracts will begin to take precedence over new NG911 contracts. The ability to demonstrate and showcase successful deployments will be critical. With nearly 1,000 AT&T contracted PSAPs now actively deployed or handling live NG911 production, AT&T has been particularly successful in their execution of existing contracts. Moreover, AT&T has demonstrated clear leadership in securing interoperability agreements, with signed interconnection agreements with approximately 80% of tier 1 carriers.

Successful deployments, coupled with momentum in capturing new contracts, is a testament to AT&T's customer purchase experience. AT&T's notable NG911 wins in 2021 include the states of Arkansas, Illinois, Tennessee, the city of Dallas, and more than an additional 2 million net additions in Texas. In addition to these awards, AT&T has secured primary NG911 state-wide contracts in Connecticut, Indiana, Kansas, Maryland, North Carolina, Virginia, and Wisconsin. Moreover, AT&T has direct contracts

in the District of Colombia, Atlanta, and New Orleans, and in various counties in Florida and Texas. NG911 testimonials indicate AT&T customers are asserting a positive experience with the deployment process and consistently feel they have selected a solution that addresses their unique NG911 needs and requirements.

Conclusion

Frost & Sullivan analysis indicates AT&T has not only maintained, but expanded its year over year (YoY) market leadership position in NG911 by proactively introducing technologies and service models that cater to the evolving demands of both citizens and public safety entities. With its strong overall performance, AT&T, once again, earns Frost & Sullivan's United States Market Leadership Award in the NG911 industry.

What You Need to Know about the Market Leadership Recognition

Frost & Sullivan's Market Leadership Award recognizes the company that achieved the greatest market share resulting from outstanding performance, products, and services.

Best Practices Award Analysis

For the Market Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Growth Strategy Excellence: Company demonstrates an ability to consistently identify, prioritize, and pursue emerging growth opportunities

Implementation Excellence: Company processes support efficient and consistent implementation of tactics designed to support the strategy

Brand Strength: Company is respected, recognized, and remembered

Product Quality: Products or services receive high marks for performance, functionality, and reliability at every stage of the life cycle

Product Differentiation: Products or services carve out a market niche based on price, quality, or uniqueness (or some combination of the three) that other companies cannot easily replicate

Technology Leverage: Company is committed to incorporating leading-edge technologies into product offerings to enhance product performance and value

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and of high quality

at <http://www.frost.com>.

more.

- ## ■ Transformational Growth: Industry Leadership



of which occur at the points of these perspectives.

- ## ■ Geographies (GE)

