Verizon Ecosystem

Verizon Communications Inc
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Outside Relationships

Regulators

US and Foreign Regulators and/or Subjects of Regulation

Federal Communications Commission
- Spectrum Licenses for Mobile Wireless, Voice, Video, and Data Communications Services
- Wireless Services Regulation
- Broadband Internet Access Services Subject to Common Carrier Regulation
- Wireline Voice Subject to Common Carrier Regulation
- Multichannel Video Service Regulation
- Media (Broadcast/Cable) and Wireless Emergency Alerting Services
- Emergency Communications Regulation

Privacy and Data Security (Voice Business)
- California Privacy Law
- Federal Trade Commission
- EU General Data Protection Regulation

National Labor Relations Board (Union Elections, Representation, and Bargaining)

State Public Utility Commissions (Incumbent Local Exchange Carrier Subject to Price Flexibility Regulation and Other State Oversight)

Local Government Entities (Cable Franchise Requirements for Facilities-Based Multichannel Video Services)

Environmental Protection Agency (EPA) (Regulation of Discharges, Leaks, Emissions, Disposals, Storage of Particulate Matter, Hazardous Waste, Toxic Substances in Water, Air and Soil; Superfund Clean-Up Requirement for Contamination

Capital

Public Debt Holders

Commercial Banks

Suppliers

Wireless Equipment Suppliers

Mobile Phones and Handsets, Personal Assistants, and Security Devices
- **Apple** (iPhones)
- **Nokia** (7.1, 3V, 2V, and Lumia Mobile Phones)
- **Samsung** (Galaxy Smartphones)
- **Motorola** (One, Edge and Razr Smartphones)
- **Google** (Pixel Phones, Nest Hub, Home Hub, and Pixel Buds)
- **Amazon** (Alexa, Ring Video Doorbell Security, Echo)
- **LG** (V60 and Stylo Smartphones)

Accessories
- **Otterbox** (Smartphone Cases)
- **ZAGG** (Smartphone Screen Protectors and Privacy Shields)
- **Beats** (Wireless Headphones and Earphones)
- **Mophie** (Wireless Charging Pads and Chargers)
- **JBL** (Bluetooth Speakers and Headphones)
- **Fitbit** (Watches and Watchbands)
- **Gear 4** (Phone Cases)

Internet Equipment Suppliers
- **Corning** (Fiber Optic Cable)
- **Prysmian** (Fiber-Optic Cable)
- **Dycom** (Engineering Services)

Customers

Retail Customers

Mobile Virtual Network Operators
- **TracFone Wireless Inc.**
- **Other Mobile Virtual Network Operators**

Sales of Wireless Telecom Services
- **Retail Customers** (Mobile Virtual Network Operators)
- **Residential Customers**

Bond Financing / Working Capital Financing / Cross Currency, Foreign Exchange, Interest Rate, and Swaps

Band Spectrum Licenses (includes 24 Gigahertz (GHz) and 28 GHz Band Spectrum Licenses)

Auctions of 37 GHz, 39 GHz, and 47 GHz Band Spectrum Licenses

Sales of Mobile Phones and Handsets

Sales of Wireless Equipment (including Smartphones and Tablets) and Wireless-Enabled Internet Devices (e.g., Laptops)

Supplies of Mobile Smartphones, Tablets, and Accessories

Supplies of Accessories for Mobile Devices and Smart Watches and Wearables

Wholesale Sales of Wireless Network Access Services (in Exchange for Interconnection Payments)

Sales of Access to, and Use of, Wireless and Fios Wireline Telecom Services (and 5G Network Access in Select Markets)

Sales of Residential Fixed Services--i.e., Connectivity Solutions (Internet, Video/Data and Voice)

Internet Network Equipment Supplies and Services

Verizon Communications Inc. [Delaware Corporation]

Debt Structure

Debt ($129.48 Billion @ 12/31/20) — **Credit Ratings: Moody's (Baa1), S&P (BBB+), Fitch (A-)**

Long Term Credit Facilities		Verizon Communications			Alltel Corporation		Operating Telephone Company Subsidiaries — Debentures		GTE LLC	Other Subsidiaries — Asset-Backed Debt	
2024 Revolving Credit Facility: $9.5B	2022-2028 Export Credit Facilities $7.5B	2021-2025 Notes: $53,359M @ 0.85%-7.75%	After 2030 Notes: $65,019M @ 1.75%-8.95%	2021-2030 Notes: $3,858M @ Floating Rates	2025-2030 Notes: $38M @ 6.80%	After 2030 Notes: $58M @ 7.88%	2021-2030 Notes: $458M @ 6.00%-8.38%	After 2030 Notes: $308M @ 5.13%-8.75%	2021-2030 Notes: $391M @ 6.94%-8.75%	2021-2025 Notes: $9,414M @ 0.41%-3.56% and Floating	Finance Lease Obligations: $1,284M @ 2.5%

Equity Structure

Equity

Treasury Stock	Common Stock
Shares Held in Treasury: 153.3M *Additional Shares Authorized: 100M* *Shares Yet to be Repurchased: 100M*	*Shares Issued: 4.291B* *Shares Authorized: 6.250B*

Governance

Board of Directors

Hans Vestberg (Chairman)	Mark Bertolini (F, H)	Gregory Weaver (A, F)
Clarence Otis, Jr. (A, F, H)	Melanie Healey (C, H)	Committees: Audit (A), Corporate Governance and Policy (C), Finance (F), Human Resources (H)
Shellye Archambeau (A, C)	Daniel Schulman (H)	
Roxanne S. Austin	Rodney Slater (C, H)	

Management Team

Chairman & CEO: Hans Vestberg	Chief Communications Officer: James Gerace	EVP & Chief HR Officer: Christy Pambianchi
EVP & Chief Marketing Officer: Diego Scotti	EVP & Group CEO-Verizon Consumer: Ronan Dunne	EVP & Chief Administrative, Legal and Public Policy Officer: Craig Silliman
EVP & CFO: Matthew Ellis	EVP & Group CEO-Verizon Business: Tami Erwin	Chief Corporate Social Responsibility Officer: Rose Stuckey Kirk
EVP & Chief Technology Officer: Kyle Malady	EVP & Group CEO-Verizon Media: Guru Gowrappan	EVP & Chief Strategy Officer: Rima Qureshi

Corporate Matters

Finance
- Budgeting
- Internal Audit
- Accounting
- Treasury/Cash Management
- Financial Planning & Analysis
- Tax
- Risk Management
- Corporate-Wide Financing
- Insurance
- Pension

Marketing
- Marketing and Advertising
- Experience Design
- Brand Communications/Awareness
- Customer Experience

Strategy
- Corporate Strategy
- Business Development
- Partnerships
- Strategic Investments/Acquisitions

Technology
- Global Network & Technology
- Intelligent Edge Network
- International Fiber Network
- Digital Transformation of Customer and Employee Systems

Communications
- External Communications
- Media Relations Strategy/Execution
- Corporate-Wide Issues Management
- Executive/Employee Communications

Human Resources
- Talent Acquisition
- Benefits
- Compensation
- Labor Relations
- Training
- Talent Acquisition
- Diversity and Inclusion

Social Responsibility
- Corporate Social Responsibility Strategy
- Social Impact Marketing

Legal
- Real Estate
- Supply Chain
- Public Policy
- Legal
- Regulatory and Legislative
- Security
- Corporate Governance

Operations

Consumer Group (2020 Revenues: $88.5 Billion; ~69% of Revenues)

Highlights
- ~94 Million Wireless Retail Connections
- ~7 Million Broadband Connections (Fios and Digital Subscriber Line (DSL) Internet Connections)
- ~4 Million Fios-Branded Fiber Network Video Connections

Wireless and Wireless-Enabled Products and Services

Devices
- Smartphones and 5G Phones
- Wireless-Enabled Laptop Computers
- Wireless-Enabled Tablets
- Connected Smartwatches

Accessories
- Cases
- Batteries & Chargers
- Screen Protectors
- Wearable Tech
- Audio
- Adapters & Cables
- Smart Home
- Headphones

Data Plans
- Unlimited
- Single Device
- International
- Shared Data
- Prepaid

Home Offerings
- Fios Home Internet
- Moving
- Fios TV
- 5G Home Internet (in 12 Markets)
- Long-Term Evolution (LTE) Home Fixed Wireless Access Internet (In Rural Parts of 189 Markets Across 48 U.S. States)

Entertainment Offerings (Included in Unlimited Data Plans)
- Disney
- Apple Music and Apple TV
- YouTube TV
- Gaming

Telecom Services

Wireline Service	Wireless Service		Connectivity Solutions
Fiber-Optic Network (Fios) and Copper-Based Network in Nine States: Mid-Atlantic, Northeast, Washington, D.C.	Prepaid (~4% of All Retail Connections) (No Credit Verification)	Unlimited, Metered, Voice, Data and Text, Hi-Definition, WiFi Hotspot	Internet, Video & Voice Services; Wireless Network Access to Resellers on Wholesale Basis
	Postpaid (~96% of All Retail Connections) (Credit Verification)		

Competitors

Comcast	Century Link	T Mobile	Regional Wireless Service Providers
AT&T	Huawei	Cox	Wholesale Resellers (e.g., Cable Companies)
DISH Network	Level 3 Communications	Cricket	Apple, Microsoft, Alphabet (Wireless Voice)
Boost Mobile	EarthLink	Spectrum	

Corporate and Other ($9.3B; 7 %)

Includes
- Verizon Media
- Financing and Corporate Costs
- Captive Insurance
- Unconsolidated Ventures

Verizon Media (2020 Revenues: $7.0 Billion)

Properties and Services

Ad Platform	Subscription Memberships
Search Advertising (Search Products That Facilitate User Searches Within Verizon Media And Third-party Partner Properties)	Subscription Offerings (Including Mail, News, Finance, Sports and Entertainment Properties, and Security Solutions (Computer Protection))
Display Advertising (Allows Customers to Buy Publishers to Monetize Inventory)	
Ecommerce (Facilitate Transactions Between Consumers and Businesses)	Verizon Media Platform: High Quality Video Delivery Platform (Live Broadcasts, Video On Demand, Games, Software, and Websites)

Verizon Media to be sold to Apollo Global Management for $5 billion.

Consumer and Business Group Telecommunications Networks

4G LTE Network	5G LTE Network
Small Cell Technology	Capabilities/Currencies
Network Densification	Peak Data Rates
In-Building Solutions	Mobile Data Volumes
Distributed Antenna Systems	Mobility
Intelligent Edge Network (Fiber-Based, Multi-Purpose): Improved Efficiency and Virtualization, Increased Automation and Opportunities for Edge Computing Services	Number of Connected Devices
	Energy Efficiency of Connect Devices
	Service Deployment
	Reduced Latency
	Improved Reliability
5G Ultra Wideband Network: 31 U.S. Markets and Several 5G-Compatible Smartphones	5G Home: 4 U.S. Markets and 1 Market with Global Standards

Wireline Network: Transition from Copper-Based to Fiber-Based

Business Group (2020 Revenues: $31.0 Billion; 24%)

Highlights
- ~27 Million Wireless Retail Postpaid Connections
- ~482,000 Broadband Connections (Fios and DSL internet connections)

Global Enterprise (2020 Revenues: $10.4 Billion; 34% of Business's Total Revenue)

Services and Products

Network Services (Private Networking, Private Cloud Connectivity Services, Virtual and Software Defined Networking Services, Internet Access Services)	Advanced Communications Services (Internet Protocol Based Voice and Video Services, Unified Communications, Collaboration Tools, Customer Contact Center Solutions)	Internet of Things (IoT) Services (Network Access to Connect Open Development-Certified Devices Bundled with Customers Own Solutions)	Core Services (Voice Calling, Messaging, Conference, Contact Center Solutions, Private Line and Data Access Networks, and the Provision of Customer Premises Equipment, Installation, Maintenance and Site Services)	Security Services (Management and Data Security Services to Protect, Detect, and Respond to Threats to Customer Networks, Data, Applications and Infrastructure)

Small & Medium Business (2020 Revenues: $11.1 Billion; 36%)

Services and Products

Wireless and Wireline Connection Services (Similar to Global Enterprises Services)	Security and Managed Information Technology Services	Tailored Voice & Networking Products, Internet Protocol-Based Voice Services, Advanced Voice Solutions	Security Services (Similar to Global Enterprises Segment)	Business and Connections Services (Similar to Global Enterprises Services)

Public Sector and Other (2020 Revenues: $6.4 Billion; 21%)

Services and Products

Wireless and Fios Wireline Network Services and Equipment	Solutions to Support Government Management and Monitoring		
	Fleet Tracking Management	Field Services Management	Asset Tracking
	Compliance Management	Mobile Resource Management	

Wholesale (2020 Revenues: $3.1 Billion; 10%)

Services

Data Services with Varying Speeds (Enhancement of Wholesale Customers' Networks and Provision of Connections to Their End-Users and Subscribers)	Voice Services (Switched Access Services to Allow Carriers to Complete Their End-User Calls That Originate or Terminate Within Verizon's Territory; Call Originating and Terminating Services Utilizing Verizon's Time-Division Multiplexing and Voice Over Internet Protocol (VoIP) Networks)	Local Services (Local Dial Tone and Broadband Services, Colocation, Resale, and Unbundled Network Services to Comply with Telecommunications Regulations)

Competitors

Comcast	Century Link	T Mobile	Regional Wireless Service Providers
AT&T	Huawei	Cox	Wholesale Resellers (e.g., Cable Companies)
DISH Network	Level 3 Communications	Cricket	Apple, Microsoft, Alphabet (Wireless Voice)
Boost Mobile	EarthLink	Spectrum	

5G Equipment (e.g., Carrier Aggregation Technology, Commercial Silicon and Network Infrastructure)

5G Network Equipment
- Ericsson (FDD Massive MIMO)
- Qualcomm Technologies (FDD Massie MIMO)
- Federated Wireless (Citizens Broadband Radio Service)

Collective Bargaining and Labor Union Representation

Communications Workers of America (23% of Workforce)

Sales of Access to Telecom Networks (Interconnection Access)

Third Party Telecom Carriers

Renewable Energy Sales

Renewable Energy
- Clearwater Energy Group
- Brookfield Renewable
- First Solar
- Invenergy

Verizon Media Web Search Services

Search Customers

Sales of Verizon Media Digital Advertising, Information, and Streaming Services

Business Customers

Licenses of Entertainment Media

Various Content Providers

Exclusive Arrangements to Sell Selected Verizon Products and Services

Independent Sales Agents

Agreements to Sell Verizon Wireless and Wireline Products and Services

National Retailers

Agreements to Provide Non-Stocked Device Fulfillment Services

Distributors

Agreements to Provide Integrated Mobility Services to Verizon Customers

Resellers and System Integrators

Securities Regulation, NYSE Listing Rules, and NASDAQ Quotation Rules

Dividends and Common Stock Repurchases

Equity Capital

Professional Services

Intellectual Property Licenses

Patents, Copyrights, Trademarks, Domain Names Registrations and Renewals

Sales of Core, Network, Security, Communications, and IoT Services

Sales of Wireless and Wireline Connection, Security, Managed Information Technology, and Tailored Voice Services and Wireless Equipment

Sales of Wireless and Wireline Connection Services, Wireless Equipment, and Management Support Solutions

Wholesale Sales of Data, Voice, Local Services (for Resellers Only)

Outside Relationships

Customers

Third Party Intellectual Property Owners

Business Group Customers
- Global Enterprise
- Large Business Customers
- Non-U.S. Governments and Agencies
- Small and Medium Business
- Medium-Size Businesses
- Small Businesses
- Public Sector and Other
- Federal Government and Agencies
- State Governments
- Local Governments
- Educational Institutions
- Wholesale
- Wholesale Wireline Carriers (Local Exchange, Long Distance and Wireless Carries)

Suppliers

Professional Services
- **Ernst & Young** (Audit)
- **McGuire Woods** (Legal and Lobbying))
- **Fierce Government Relations** (Lobbying)
- **DLA Piper** (Pro Bono Partner)
- **Publicis VM1** (Media and Advertising)
- **McCann** (Advertising for Verizon Wireless)

Capital

Significant Shareholders
- **Vanguard Group (7.88%)**
- **BlackRock** (4.80%)
- **SSgA Funds Management** (3.89%)
- **Berkshire Hathaway** (3.55%)
- **Geode Capital** (1.56%)
- **Norther Trust Investments** (1.27%)

Institutional Ownership: 68.29%

Regulators

Securities Regulators
- **US Securities and Exchange Commission** (Securities Law Disclosure and Reporting Requirements; Anti-Bribery Law Record-Keeping Requirements)
- **New York Stock Exchange** (Listing, Maintenance, and Corporate Accountability Rules)
- **NASDAQ** (Listing, Maintenance, and Corporate Accountability Rules)
- **U.S. and Foreign Patent and Trademark and Other IP Agencies**

Key Company Data (as of 12/31/20)

Share Information
- Stock Markets: New York Stock Exchange and NASDAQ Global Select Market
- Ticker Symbol: VZ
- Share Price $57.79 (5/1/21)
- Earnings Per Share: $4.56 (Trailing 12 Months)
- Forward Annual Dividend Per Share: $2.51

Financial Highlights

Results of Operations
- Service Revenues and Other: $109.872 Billion
- Wireless Equipment Revenues: $99.494 Billion
- Operating Expenses: $99.494 Billion
- Operating Income: $28.798 Billion
- Net Income: $18.348 Billion

Financial Position
- Total Assets: $316.481 Billion
- Long Term Debt: $123.173 Billion
- Total Equity: $69.272 Billion

Cash Lfow
- Cash From Operations: $41.768 Billion
- Cash Used in Investing: $35.7 Billion
- Cash from Financing: $1.325 Billion

Resources
- Employees: 135,300

Service Offerings
- Cable TV
- Landline
- Mobile Phones
- Broadband
- Digital TV
- Digital Media
- Internet
- Road Telematics

Recent Developments

Origins: Verizon is the result of the combination of two of AT&T's so-called Baby Bell local operating companies based on the east coast—NYNEX and Bell Atlantic. Following the antitrust order for the divestiture of the AT&T Baby Bells, NYNEX and Bell Atlantic became standalone public companies and subsequently merged in 1997. The merged entity acquired GTE in 2000 and then changed its name to Verizon.

5G Network: Verizon launched "5G Built Right" in late 2018 to roll out its 5G network. Verizon's network has a peak data rate 10 times greater than its 4G Fios network. It combines heightened processing power and greater data transfer speeds to enable IoT connectivity on a massive scale. Higher throughput and lower latency than current 4G LTE technology will enable Verizon to handle more traffic as the number of internet-connected devices grows.

Sale of Verizon Media: Verizon Media (including its Yahoo! digital media assets and the AOL internet business) will be sold to Apollo Global Management for $5 billion.

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