

AT&T RECEIVES THE 2023 MARKET LEADERSHIP AWARD

Identified as best in class in the United States next generation 9-1-1 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 across two dimensions for each nominated company. AT&T excels in many of the criteria in the next generation 9-1-1 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

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“The proliferation of ‘smart’ cities and associated surge in IoT-initiated data coming from connected security systems, buildings, vehicles, homes, wearables, and other connected assets has created a myriad of new opportunities in the public safety sector to enhance incident intelligence and situational awareness for first responders during emergency events.”

- Brent Iadarola
Vice President, Frost & Sullivan

emergency events. The volume of connected data, the variety of data types, and the velocity at which data must be processed has the capacity to overwhelm the capabilities of legacy public safety systems. In contrast to the legacy voice-centric enhanced 911 (E911) network, Next Generation 9-1-1 (NG911) has emerged to support a more diverse set of Internet protocol (IP)-based communications that will enhance the speed, accuracy, and preparation of first responders.

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. 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.

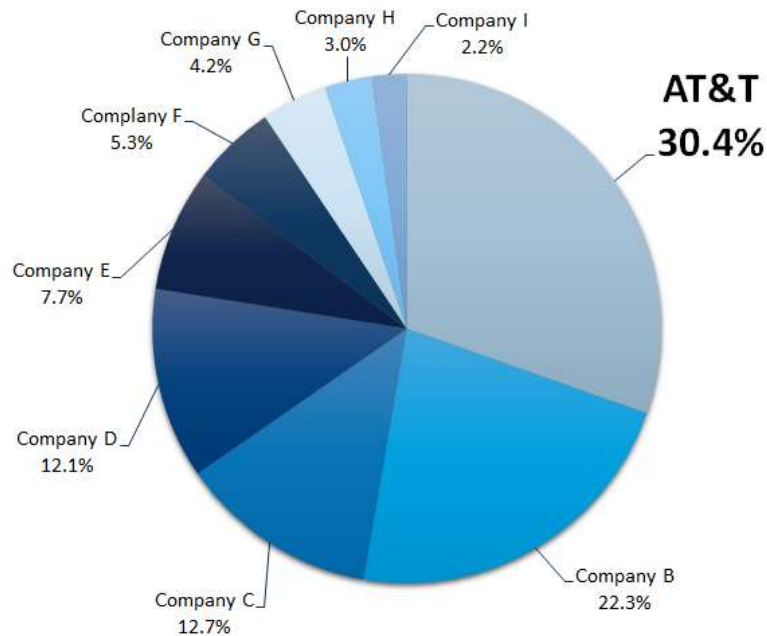
“Frost & Sullivan’s research indicates that AT&T was the leading NG911 primary contract holder in the United States at YE 2022, with an estimated market share of 30.4% with direct NG911 contracts covering a population of approximately 78 million.”

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Frost & Sullivan research confirms AT&T is at the forefront of the NG911 market providing industry-leading solutions that modernize communications and transform emergency reporting and response. By leveraging a legacy of proven experience and operational excellence in the public safety sector, AT&T continues to hold a strong market leadership position in NG911. More specifically, Frost & Sullivan’s research indicates that AT&T was the

leading NG911 primary contract holder in the United States at YE 2022, with an estimated market share of 30.4%.

Exhibit 1.0 NG911 Primary Contract Holders Market Share (YE 2022)



Source: Frost & Sullivan

Frost & Sullivan measures NG911 progress based on the market penetration of the addressable population covered by closed ESInet/NGCS contracts (or ‘awards’). Frost & Sullivan market share is based on population covered by primary NG911 contract holders. Generally, states or counties that control PSAPs are the purchasers of NG911 systems. Ultimately, the primary service provider is the entity holding the NG911 contract and is responsible for service fulfillment.

Technology Leverage/Implementation Excellence

NG911 administrators are increasingly asking for turnkey, “one-stop shop”, “as-a-service” NG911 solutions. A clear theme over the course of Frost & Sullivan’s research has been that states generally do not have the resources, expertise, or patience to manage the complexities of NG911 in-house. Moreover, while traditionally data centers have resided in-state and been locally managed for security purposes, recent trends suggest an evolution toward nationalized or macro-regional systems.

AT&T’s NG911 solution provides 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 current volumes). 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.

According to recent Frost & Sullivan research, interoperability, enhanced backup capabilities, and security concerns were consistently cited as top issues for NG911 customers. Interoperability considerations, in particular, have been key requirements in many recent NG911 RFPs. To address these customer needs, AT&T has demonstrated leadership with a range of interoperability milestones:

- OSPs: Signed interoperability agreements with T1 carriers including two wireless operators using direct IP ingress connections
- SSPs: Signed interoperability agreements and live in production with many 3rd party ESInet providers
- CHE: AT&T lab certification testing completed with industry leading suppliers; managed lab testing available

Price Performance Value

Many states centrally organize their PSAPs to conduct statewide NG911 upgrades, while others purchase upgrades on an PSAP-by-PSAP basis or through regional coalitions. While statewide upgrades have emerged as the preferred (and most efficient) approach to NG911, some states continue to implement NG911 incrementally, based on their ability to fund regional deployments. Typically, NG911 primary service providers bid on NG911 RFPs both directly and through their channel partners, depending on who may have the strongest relationship with a given local or state jurisdiction.

There has been significant momentum in the number of state-wide awards over the last 18 months. The NG911 land grab is closing rapidly, with Frost & Sullivan research indicating 76.3% of the population is now covered by contracts. While competition remains fierce for the remaining percentage of the country not currently under contract, contesting incumbents for contract renewals will be the next key battleground to increase market share. As a network operator, AT&T has an inherent advantage over many NG911 competitors with respect to connectivity pricing, regulatory experience, and security operations. AT&T’s ‘carrier pedigree’ enables opportunities to bid for NG911 contracts at attractive price

points and upsell supplemental auxiliary public safety services such as FirstNet, call handling equipment (CHE), and/or computer-aided dispatch (CAD).

Customer Ownership/Service Experience

NG911 administrators are generally not risk takers and will inevitably gravitate towards vendors that can showcase proven deployments, have an established operational presence in the public safety sector, and can provide proof points to substantiate customer success. Successful deployments coupled with momentum in capturing new contracts is a testament to AT&T's customer purchase experience. At YE '22, AT&T's direct NG911 contracts covered a population of approximately 78 million with approximately 1,818 PSAPs under contract at YE '22. Over 1,200 of these PSAPs are currently handling live production, and more than 900 are actively using NENA i3 GIS routing. AT&T's notable NG911 wins in '22 included the county of Miami-Dade, Florida (a contract renewal with a population of approximately 2.7 million); as well as in-state net adds in Texas, Georgia, Louisiana, Illinois, Mississippi, and Maryland.

Moreover, AT&T has secured primary NG911 state-wide contracts in Arkansas, Connecticut, Indiana, Kansas, Maryland, North Carolina, Tennessee, Virginia, Wisconsin, and Illinois; and has direct contracts in the District of Columbia, Atlanta, and New Orleans. NG911 testimonials indicate AT&T customers are asserting a positive experience with the deployment process and have selected a solution that addresses their unique end-to-end NG911 needs and requirements.

Conclusion

Frost & Sullivan analysis indicates AT&T has, once again, maintained a market leadership position in NG911 by leveraging a legacy of proven performance and experience in the public safety sector, coupled with a NG911 solution architecture that uniquely embraces innovation to promote interoperability and a vision beyond voice. With its strong overall performance, AT&T earns 2023 Frost & Sullivan Market Leadership Award in the next generation 9-1-1 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

