



Tom Rutledge
Chief Executive Officer
Charter Communications
400 Atlantic St
Stamford, CT 06901
USA

30 November 2019

Dear Tom,

Carbon Emissions Disclosure

TCI Fund Management Limited manages over \$30 billion across a range of asset classes. Since inception of the business over 15 years ago, cumulative investment returns have substantially outperformed equity index benchmarks.

TCI is a major shareholder in Charter Communications (Charter) with 4.2% holding.

Investment approach and engagement

As part of our investment process we assess a range of ESG factors, particularly climate change risk.

TCI believes that climate change-related risks, in particular a company's greenhouse gas (GHG) emissions, will have a material effect on a company's long-term profitability, sustainability and investor returns. These risks include regulation, taxation, competitive disadvantage, brand impairment, financing, physical asset impairment and litigation.

We actively engage on ESG to help us understand, quantify and influence a company's exposure to climate change-related risks and the way it is managing those risks.

Emissions disclosure

We require companies in which we invest to make appropriate and timely public disclosure of carbon and other GHG emissions. Such disclosure should include targets for emissions intensity reduction and absolute level reduction.

TCI fully supports compulsory disclosure on a standardised basis and the use of the Task Force on Climate-related Financial Disclosure (TCFD) reporting framework (www.tcfhub.org).

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**TCI Fund Management Limited is a private limited company incorporated and existing under the laws of England and Wales
with registered number 08898250**

Authorised and regulated by the Financial Conduct Authority

In our view, reporting to CDP (www.CDP.net) is the best way to implement TCFD. **We expect all our portfolio companies to make full annual public disclosure to CDP.**

Low-Carbon Transition Plans

We expect companies in which we invest to have a credible, publicly-disclosed plan to reduce GHG emissions. This plan should include measurable science-based targets that align with the Paris Agreement, which requires full de-carbonisation of economies (net zero emissions) by 2050.

Actions that should be included in a low-carbon transition plan are to:

1. Change business processes to reduce the company's carbon footprint;
2. Introduce efficient energy management into buildings and factories;
3. Source low carbon energy through direct generation or power purchase agreements;
4. De-carbonise transport fleets, e.g. through electric vehicles;
5. Offset emissions from corporate travel, e.g. through afforestation;
6. De-carbonise supply chains and helping customers lower their carbon intensity;
7. Advocate for regulations which drive the de-carbonisation of their industry to ensure its sustainability.

Voting

1. **We will typically vote against all directors of companies which do not publicly disclose their emissions and do not have a credible plan for their reduction.**
2. **We will also vote against auditors where the Annual Report and Accounts fail to report material climate risks.**

Divestment

We will also evaluate divestment where a portfolio company refuses to disclose its emissions and does not have a credible plan for their reduction.

Charter disclosure to CDP

Based on publicly available information (including proxy filings made in 2019), it is clear that Charter fails to provide any meaningful ESG and sustainability reporting, despite:

1. Substantial investor demand for such information;
2. Increasing business risks and opportunities related to climate change.

The company must disclose its GHG emissions, GHG reduction targets and a low carbon transition plan.

Charter also lags peers such as AT&T, Comcast, Sky PLC, Liberty Global, and Verizon Wireless, who all issue sustainability reports, respond to CDP, and have GHG reduction goals.

In our view, this is unacceptable. All other TCI portfolio companies respond to CDP's Climate Change questionnaire for assessment and scoring. Charter must do the same.

We would welcome the opportunity to introduce Charter to CDP and can assure you that their staff are more than willing to help companies establish “best practice” climate-related reporting.

Energy and emissions reduction are commercial and environmental opportunities

We recognise that for Charter, reducing energy consumption and emissions is a natural output of cost savings measures the group is already pursuing. These include but are not limited to:

- Reducing customer interactions:
 - Lower churn reduces energy costs, in particular in the truck fleet;
 - Network digitization which increases self-install of customer equipment and the proportion of customer interactions that can be handled remotely;
 - Network investment and driving fibre deeper reduces electricity consumption and improves performance, which increases customer satisfaction which in turn reduces interactions.
- Fleet management: optimisation of and reduction in truck rolls to customer and network end points saves energy costs;
- Facility management: energy efficiency measures such as LEDs;
- Supply chain management: recycling and repurposing of materials which saves on the bill of materials. We note that you suggested the cumulative weight of materials re-purposed had risen to 37m lb in 2018;
- Set top box energy efficiency.

However, we think the ambitions should be broader and targets should include carbon emissions reductions and a plan to move to net-zero emissions.

For TCI, and no doubt other investors, appropriate and timely public disclosure of carbon and other GHG emissions and targets is increasingly important.

TCI will therefore support the shareholder resolution for Charter to issue an annual sustainability report that includes policies, performance and improvement targets for material ESG risks and opportunities, including GHG emissions reduction targets.

TCI will also vote against the directors of Charter and the auditors at the AGM if these measures are not introduced.

Yours sincerely,



Chris Hohn



Philip Green



Alex Baring

