

EXHIBIT A

(Redacted)

From: JOHNSON, SUSAN A
Sent: Monday, August 19, 2024 5:38 PM
To: [REDACTED]
Cc: LEGG, JEREMY [REDACTED]; [REDACTED]
Subject: Disappointing Status of our Conversations

Hock-

After a 10 plus year strategic relationship with Broadcom that started under John Donovan, I am sad to report that we appear to be at an impasse on our VMware deal. The latest offer that we have received would put us at an average of \$ [REDACTED] per year for a 5 year deal, where we currently pay \$ [REDACTED] per year to support previously purchased perpetual licenses with a right to renew support through September, 2026. This proposed annual increase of +1,050% in one year is extreme and certainly not how we expect strategic partners to engage in doing business with AT&T.

What we are willing to pay for VMware licensing and support is bounded by two basic facts: 1) The strength of our contractual position to pursue a legal course to preclude Broadcom from discontinuing support, and 2) The estimated costs of migrating away from VMware. We are running out of time given Broadcom’s unreasonable position that the agreement does not permit AT&T to exercise its two remaining one-year options after September 9, 2024. As a result, AT&T has decided to pursue a legal strategy along with a disciplined plan to invest to migrate away, all of which will quickly become public. I truly wish we had another option. Unfortunately, this decision will impact the future of our overall relationship and how we manage spend in other Broadcom areas.

In summary:

- We feel that we are being treated very unfairly with a drastic change in how we have been operating with VMware including your failing to abide by our agreement terms and the magnitude of the increase in costs.
- We have reviewed our licensing agreement. We believe we both have enough licenses to cover our current usage and that it does legally protect us to preclude Broadcom from discontinuing contractually agreed upon support.
- The cost to migrate away from VMware (projected at \$40-\$50M) has a very quick payback and strong IRR, especially given the high licensing costs proposed. As a result, we are planning to prioritize investment to migrate off of VMware.

Our team will be sending a PO to exercise our option to renew support for the covered VMware offerings in an effort to continue working with Broadcom under the terms of the existing agreement. In addition, we are working with Teresa to close the Velocloud issues as a show of good faith that AT&T is committed to finding a reasonable path forward.

I am sorry that we have arrived at this difficult point, but we do not believe that we have been given a reasonable alternative. Jeremy and I are ready to engage in any reasonable offers.

2023 spend	Broadcom proposed avg annual spend going forward	% change
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VMware	\$ [REDACTED]	\$ [REDACTED]	1050%
CA Mainframe	\$ [REDACTED]	\$ [REDACTED]	150%

Susan A Johnson

[REDACTED]

Pronouns: She/Her/Hers