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March 1, 2018

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Subject: General Order 156 Annual Report and Plan for AT&T California, AT&T Long Distance, AT&T Corp., and AT&T Mobility

Executive Director Stebbins,

AT&T California herein submits its GO 156 Supplier Diversity Annual Report for 2017 and Annual Plan for 2018 for the AT&T companies listed above.

Electronic submission of this report is also being sent today to CPUC Supplier Diversity Program Supervisor, Ms. Stephanie Green. Three paper copies are also being sent to the CPUC Service Desk at 505 Van Ness Avenue.

If you and/or your staff have any questions regarding this report, please feel free to contact me as noted above.

Respectfully,

A handwritten signature in black ink that reads "Brenda J. Clark".

Attachment

cc: stephanie.green@cpuc.ca.gov

**AT&T**



AT&T  
Global Supplier Diversity

2017 G.O. 156 Annual Report  
2018 G.O. 156 Annual Plan



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## Ken McNeely, President, AT&T Pacific Region



This year, we commemorate the 50th Anniversary of AT&T's Supplier Diversity Program, a momentous milestone for our company. Our program was born out of the 1960's as the country faced systemic racial and economic inequalities. Since 1968, we have spent approximately \$28 billion dollars with minority, women, disabled-veteran and LGBT businesses in California alone.

Today, I am pleased to report AT&T's supplier diversity spend in California was \$1.7 billion in 2017, once again exceeding the GO156 Supplier Diversity goal. Our overall diversity spend increased by \$23 million from 2016 to 2017, and we witnessed a significant shift in direct Tier-1 spend with diverse suppliers.

To strengthen our commitment to California minority vendors, our team has formulated new strategies to further advance diversity and inclusion. As further detailed in this report, AT&T's Supplier Diversity Team will be implementing initiatives to increase the number of diverse supplier contract opportunities in the coming years.

Some of our efforts in 2018 will include developing new internal metrics to better analyze Supplier Diversity successes, improving internal reporting process by officer, business unit and sourcing channels, and increasing the number of AT&T sourcing forums. AT&T's Supplier Diversity Organization is also closely partnering with our Technology Operations Organization to allow for early identification of new projects and opportunities coming online within key growth segments.

As AT&T looks toward the future, including Mobile 5G, FirstNet—the country's first-ever nationwide public safety broadband network—and the increased deployment of AT&T Fiber, we are optimistic about future investments and business opportunities with California's diverse suppliers.

Our company has been at the forefront of launching diverse business organizations and providing resources for the eco-system that ensures the success of diverse businesses. We continue to support diverse businesses at AT&T—Supplier Diversity remains an AT&T Supply Chain top ten initiative in 2018—because for over 50 years, we have known it makes us a stronger company.

Sincerely,

A handwritten signature in black ink that reads "Ken McNeely". The signature is written in a cursive, flowing style.

President, AT&T Pacific Region



In accordance with California Public Utilities Commission (CPUC) General Order 156, AT&T reports its reports on its procurement of goods and services from women, minority, service-disabled veteran, and lesbian, gay, bisexual and transgender business enterprises (W/M/DV/LGBT). This annual report articulates AT&T’s program achievements and outcomes from January 1, 2017 through December 31, 2017. In addition, this document provides AT&T’s Supplier Diversity program goals and objectives for 2018.

AT&T’s Global Supplier Diversity team administers the Supplier Diversity program on behalf of all AT&T subsidiaries (herein referred to as “AT&T”). This report includes results for AT&T California (U 1001 C), AT&T Long Distance (U 5800 C), AT&T Corp. (U 6346 C) and AT&T Mobility (U 3021 C).

## Procurement Overview

<b>AT&amp;T Total Combined Companies 2017 Annual CPUC Filing</b>			
AT&T	Total Spend \$	Supplier Diversity Spend \$	Diversity %
AT&T California	\$2,660,489,018	\$768,612,422	28.9%
AT&T Mobility - California	\$4,593,390,619	\$782,563,499	17.0%
AT&T Communications of California*	\$618,908,039	\$147,248,387	23.8%
AT&T Long Distance - California	\$35,501,927	\$9,347,883	26.3%
<b>Totals</b>	<b>\$7,908,289,603</b>	<b>\$1,707,772,192</b>	<b>21.6%</b>

*\*Note: AT&T Communications CA includes spend for AT&T Teleport, a registered AT&T company.*

AT&T diversity spend totaled \$1.7B for 2017, as compared to \$1.6B in 2016. Direct (Tier-1) spend with diverse suppliers grew year over year (YOY) by \$111M while Sub-contracting (Tier-2) spend declined by \$88M.

AT&T Long Distance, AT&T Communications, Inc., and AT&T California met their goals. AT&T CA experienced a moderate decline in YOY percentage because of an increased direct spend base and a diverse business that was acquired by a non-diverse business. Additionally, Clearinghouse certification requirements disallowed counting approximately \$60M MBE spending from two suppliers that maintained CPUC certification. AT&T Mobility was the only reporting AT&T affiliate company falling



short of the 21.5% goal.

Since 2015, AT&T Mobility diverse *percentage* has declined despite YOY increases in overall direct spending and spending with diverse suppliers. Contributing factors include (1) a shift in corporate network strategy which has decreased overall spending in areas of building and construction -which has traditionally been an AT&T Mobility area with strong diversity supplier opportunity and performance and (2) the direct spend purchase of wireless devices. These devices are designed, developed, and manufactured out of the United States and have controlled, limited and very non-diverse distribution channels that are out of AT&T's control.

### 9.1.1 Description of Supplier Diversity Program Activities

#### Global Supplier Diversity Organization

AT&T's 2017 Annual Plan to achieve 21.5% diverse spending goal with Minority (MBE), Women (WBE), Disabled Veteran (DVBE) and the Lesbian, Bisexual, Gay and Transgender (LBGT) business communities included AT&T's Supply Chain Organization identifying and recommending certified diverse suppliers to internal business unit decision makers.

AT&T executive officer engagement included receiving quarterly progress status report updates, which promotes continued commitment, awareness and advocacy. Executive awareness helps influence internal business units to identify business opportunities for MBE/WBE/DVBE/LBGT business communities.

AT&T focuses on Internal Programs/External Activities, Recognition Awards Strategic Sourcing and MBE Procurement System Enhancements to promote diversity and inclusion within its supply chain.

2017 AT&T internal activities advancing its Supplier Diversity Program included:

- Conducting commodity spend category meetings with AT&T Sourcing Managers;
- Rewarding top diversity champions within AT&T business units;



- Hosting conferences to connect diverse businesses for AT&T future projects;
- Increasing management engagement with our Prime Suppliers;
- Creating and delivering strategies to foster progress in specific minority categories;
- Encouraging Prime Supplier networking via AT&T Virtual Matchmaking on Demand portal; and
- Procuring a new cloud-based supplier management solution.

### AT&T Supplier Diversity Outreach Ambassador (SDOA) Program.

In 2017 there were over 700 AT&T volunteers nationwide that participated in the SDOA Program -with approximately 150 Supplier Diversity Outreach Ambassadors supporting diversity events in the West. Our trained SDOAs are as diverse as the constituency base we support, serve the communities in which they live and work and offer a unique perspective to minority vendors often uncovering internal champions outside of the AT&T supply chain. Outreach Ambassadors met new diversity suppliers, learned about their businesses, and advised them on how to navigate AT&T’s procurement process. Employees across various business units—Supply Chain, Mobility, Network Operations, External Affairs, Consumer, and others—volunteered to meet diverse suppliers, participated in outreach events, and dedicated many hours providing expertise to California Community Based Organizations and their constituents.

MBM Magazine, a MBE Business Publication news resource for information on minority business enterprises and diversity, recognized four AT&T SDOAs for “Supplier Diversity Excellence.” The publication acknowledged top procurement specialists from corporations around the country who help develop and drive supply chain diversity. AT&T Global Supply Chain awardees were acknowledged from regions in the West, Mid-west and the South.

### Diversity Achievement Awards

For 50 years, AT&T has promoted, shaped and maintained an inclusive supply chain focused on procuring diversity vendors. AT&T encourages the inclusion of quality minority-, women-, service-disabled-veteran- and LGBT-owned businesses into sourcing opportunities. In 2017, a select group of AT&T managers were recognized and received awards for their exemplary contribution toward supporting our 21.5% diversity inclusion goal.



**The Diversity Spark Award** was presented to five AT&T managers who volunteered significant number of hours externally to support, grow and promote diversity firms by participating in targeted California Supplier Diversity Outreach Events.

**The Supplier Diversity Performance Award** was given to 10 AT&T officers who made significant efforts (diverse spend of 21.5% or greater) to champion minority vendor inclusion into their business channels. These Officers demonstrated AT&T Supplier Diversity as one of their top corporate initiatives for the year. Officers endorsed and advocated Supplier Diversity during townhall meetings, encouraged Sourcing Managers to open opportunities to minority suppliers, and conducted regular meetings with the Supplier Diversity team.

### Strategic Sourcing Champions

Throughout 2017, AT&T and our suppliers benefitted from the collective efforts of champions within our Supply Chain, business units and Prime Suppliers. AT&T Supplier Diversity paired each “champion” to skilled resources within the team tasked to increase diversity spend. Diversity Sourcing Managers (DSMs), who are responsible for identifying new contract opportunities, identify new projects that connect quality diverse businesses throughout the country to select agreements. Key sourcing units that support diversity inclusion progress include select AT&T business channels: Business Solutions, Corporate Real Estate, Technology Development, Network, Mobility, Financial Operations, Marketing, Services, Advertising, Fleet, Human Resources, Travel and Outside Plant.

Aligning with strategies executed by the Supplier Diversity team helped AT&T safeguard a diversified supply chain during 2017. A combination of constant interaction, messaging, and emboldening teams to set diversity targets led to the inclusion of dozens of minority suppliers in the California.

### MBE Procurement

AT&T Global Supplier Diversity diligently works to keep W/MBE/DVBE/LGBTBE vendors at the forefront of supply chain decision makers. In 2017 AT&T introduced a procurement system upgrade, which resulted in automated electronic notifications going to the Supplier Diversity team about requests for





proposals (RFPs). The automated notifications enabled the Supplier Diversity Team to discuss requirements of the RFP with AT&T Sourcing Managers or business unit leaders and suggest qualified W/MBE/DVBE/LGBTBE vendors. This software tool has been instrumental in furthering our progress and ensuring that minority inclusion remains an ongoing priority.

## AT&T Supplier Diversity Newsletter

AT&T's quarterly Supplier Diversity Newsletters help increase awareness and provide information about AT&T's Supplier Diversity Program. Newsletters are shared with AT&T associates, leadership, global sourcing team, Prime Suppliers, external stakeholders and suppliers. The newsletter distribution expanded in 2017 to reach additional diverse business groups and organizations.

The "AT&T Supplier Diversity Newsletter" includes key information such as:

- Key conferences executed in California
- Supplier Diversity leadership messages
- Diverse supplier profiles
- Conference highlights
- Program initiatives
- Awards and recognition
- Events and activities for networking opportunities with Supplier Diversity personnel

The newsletter also highlights our Prime Supplier Program. AT&T Supplier Diversity promotes Prime Supplier achievements, best practices, and current events through the newsletter. Our distribution includes nearly 600 AT&T Prime Suppliers.

Our Fall 2017 publication highlighted the Prime Suppliers who attained outstanding AT&T Supplier Diversity results and who were presented with our annual Crystal Award for achieving or exceeding their 21.5% supplier diversity goal for the year. In 2017, we recognized 48 Prime Suppliers for their commitment to and support of minority-, women- and disabled veteran-owned companies in our supply chain.



## External Supplier Diversity Programs Activities & Events

In collaboration with the CPUC Small Business and Outreach Division and key partnering stakeholders, the Supplier Diversity team successfully implemented its plan in the West through a combination of significant financial investments and in-kind services that supported MBEs within California. AT&T Supplier Diversity increased presence at California minority events, provided MBEs unlimited private consultancy sessions, offered attendance to private AT&T engagements, and extended executive scholarships.

## Technical Assistance & Programs

A fundamental component of our Supplier Diversity program focuses on seeking technical assistance platforms that support the growth of diverse owned businesses. AT&T invested over \$900,000 to assist connecting and growing minority business enterprises. In 2017, on a national basis, AT&T issued 13 scholarships, 15% of which went to California diverse businesses. Supporting the success and development of minority owned firms through formal education platforms has been a critical part of our program.

## Building for Success Program

In 2017, AT&T offered traditional university scholarships to the Tuck School of Business at Dartmouth College and to Northwestern University, as well as an AT&T Supplier Diversity driven series called the **Business Growth Acceleration Program (BGAP)**. While iterations of the BGAP program have been in existence since 2011, the program transforms annually based on economic conditions, industry impacts and technology.

During 2017 the BGAP was delivered through a collaborative effort between **ThrivePoint Programs** and the **Western Regional Minority Supplier Diversity Council (WRMSDC)**. Dedicated MBEs committed to a six-month, intensive progression of courses that helped them build strategic business plans. With the assistance of BGAP instructors and mentorship, minority executives from Marketing, Network, Leasing, IT, Staffing and Architect firms were able to design and redesign roadmaps for their companies to help



increase operational efficiencies giving them a better market position to meet the needs of current and future clients.

### AT&T Diversity Events

In 2017, the Supplier Diversity team executed a strategic outreach plan to identify and connect minority business enterprises to aid operations. As such, AT&T Supplier Diversity visibility within the California minority business community was amplified during 2017. In addition to participating at the CPUC Small Business Expos in Redding, CA and San Diego, CA, AT&T's events covered the state to identify, educate, and communicate with diverse organizations about future sourcing opportunities. New web-based broadcasts and workshops were also included in this outreach plan.

### AT&T Mobility Workshops

The Supplier Diversity team worked with internal mobility managers to create the **M.O.S.T Conference** (Mobility Operations Support Team) to help meet the future demands of our supply chain.

In September 2017, small, diverse businesses gathered at AT&T locations to gain insights about upcoming contracting work over the next 24 months. The **M.O.S.T** workshops were broadcast from AT&T's Atlanta headquarters to five viewing locations: San Ramon, California; Bedminster, New Jersey; Hanover, Maryland; Dallas, Texas; and Chicago, Illinois. Businesses with specialties in Outside Plant, Engineering, Digital Antenna Systems (DAS), Cell Tower Services and other Network Operational Support were given detailed instructions on how to become a preferred vendor and were encouraged to ask questions about the process during the webcast.

The Supplier Diversity organization successfully registered 200 minority vendors, of which 10% were in California. Prospective suppliers are still completing the on-boarding process and results are still pending.



## AT&T Mobility Construction Conference

In November 2017, Supplier Diversity further elevated minority engagement by hosting a two-day conference at AT&T regional headquarters in Northern and Southern California. Supported by local dignitaries and AT&T Supply Chain leaders, the team executed the first of a series of forums to connect minority businesses to upcoming mobility construction projects.

The half-day workshops were presented in 30-minute segments. AT&T Supplier Diversity opened the workshop with information about mobility construction projects. In subsequent segments, each Prime (AT&T refers to Mobility Primes as “Turf Vendors”) presented to the group, giving the attendees a deeper insight into their organization and role in the project. Representatives shared services provided, scope of their AT&T contract award, future projects anticipated, their on-boarding process, and closed by answering questions from the audience. While assignments varied by company, most were focused within the following categories: new site builds, wireless local loop, bandwidth expansion, LTE carrier-adds and much more.

With the assistance of key external stakeholders, the conference was a success. The fourth quarter forum attracted 150 diversity businesses, primarily from California, an ideal platform to build connections with the six AT&T Prime Suppliers that were assigned to counties throughout the state. Results are still pending; however, new relationships are flourishing.

## Diversity Conferences

### National Gay & Lesbian Chamber of Commerce

The 2017 National Gay & Lesbian Chamber of Commerce (NGLCC) International Business Leadership Conference was one of the largest events in the Chamber’s history. The conference, which was also a 15-year milestone for NGLCC, took place in Las Vegas, Nevada, attracted over 1,100 entrepreneurs, corporate executives and affiliate chamber leaders. With the help of multiple internal partners, the AT&T Supplier Diversity organization developed a robust plan to intensify our presence at the 2017 conference.



During the 4-day event, AT&T representatives attended all the marquee sessions, as well as led and/or were major contributors during critical conference segments. AT&T was a top-sponsor and is proud to report the following highlights:

- AT&T hosted the NGLCC's Biz Pitch Competition and mentored one of the four Biz Pitch finalists from Sacramento, California.
- AT&T Supplier Diversity created a workshop called "Build Your Brand." The session garnered over 200 guests.
- AT&T participated in LGBT matchmaking.
- AT&T hosted a booth at the Marketplace Expo.
- AT&T volunteered in NGLCC's first mentorship program. Supplier Diversity is coaching a Los Angeles-based firm until August 2018.

AT&T has been an active member of the NGLCC for many years, and the chamber's leadership recently recognized AT&T's increased engagement with the LGBT community. At the December 2017 NGLCC National Awards Dinner in Washington, D.C. the Chamber announced AT&T as their "Corporation of the Year" award winner. This award was given to a "corporation for their outstanding support and dedication to ensuring fairness and equal opportunity for LGBT suppliers, customers, and employees."

### US Pan Asian American Chamber of Commerce (USPACC)

In May 2017, the annual USPACC CelebrAsian Conference brought together 800 attendees from across the country to San Diego, California. AT&T Supplier Diversity participated in a variety of sessions during the event that included the Supplier Diversity Roundtable, the Business Matchmaker, and the Business Expo. With the help of Supplier Diversity Outreach Ambassadors, the team met with dozens of prospective suppliers to explore how to effectively align their services with pressing initiatives within the business. Supplier Diversity identified outside Plant and Mobility suppliers that are currently in-process of on-boarding documents to become an official AT&T vendor.

### AT&T Diversity Workshops and Seminars

AT&T Supplier Diversity understands the market dynamics and pressures MBEs face. Therefore, the team worked diligently with local minority groups to develop meaningful workshops. By the end of 2017, AT&T created, led and/or participated in the following workshops in the West:



1. WBE: *Best Practices, AT&T Supplier Diversity* – Astra - February 2017
2. M/W/DVBE: *Community Investment Summit: Eat, Build & Innovate* – California Urban Partnership – March 2017
3. WBE: *Cyber Security Procurement 2020 Workshop: Security Breaches, Contracting Practices and Small Business* – WBEC-West – March 2017
4. WBE: *Corporate Procurement Strategy Workshop* – WBEC West – May 2017
5. M/W/DV/LGBT: *Cybersecurity Strategies for Small Businesses* – CPUC SoCal Small Business Expo – May 2017
6. WBE: *Supplier Diversity: Get Qualified as a Vendor/Supplier to Large Corporations* – NAWBO CA – May 2017
7. MBE: *All Money is Green* – Western Regional Minority Supplier Development Council June 2017
8. WBE: *Cyber Security Procurement 2020 Workshop: Security Breaches, Contracting Practices and Small Business* – WBEC-West – June 2017
9. MBE: *Preparing for an Effective Engagement (3-Part MBE Development Series)* – Northwest Mountain Minority Supplier Development Council – June 2017
10. M/W/DVBE: *AT&T's Prime Supply Program* – State Compensation Fund – March 2017
11. WBE: *Developing an Effective Cybersecurity Strategy* - Astra – July 2017
12. LGBTQ: *Build Your Brand: A Supplier Diversity Manifesto* – National Gay & Lesbian Chamber of Commerce – August 2017
13. WBE: *Cyber Security Procurement 2020 Workshop: Security Breaches, Contracting Practices and Small Business* – WBEC-West – August 2017
14. M/W/DV/LGBT: *"Tips & Tricks" – How Small Businesses Can Leverage the General Order 156 (moderator)* – CPUC NorCal Small Business Expo - October 2017
15. MBE: *Building an Effective Marketing Process (3-Part MBE Development Series)* – Northwest Mountain Minority Supplier Development Council – October 2017
16. WBE: *Developing Effective Business Interactions (panel participant)* – Astra – November 2017
17. WBE: *Cyber Security Procurement 2020 Workshop: Security Breaches, Contracting Practices and Small Business* – WBEC-West – November 2017

## AT&T Prime Supplier Program

A major contributor of creating our program can be attributed through our Tier-1 vendors, also known as our Prime Supplier Program (PSP). The AT&T Prime Supplier Program has dedicated supplier diversity managers who collaborate with our Prime Suppliers to create detailed plans for utilizing



diversity suppliers, to set meaningful goals for utilization of diversity suppliers as subcontractors, and to encourage development of innovative solutions for improving and tracking diversity results. AT&T's Prime Supplier Program's improved monitoring practices of our Prime Suppliers contributed to over \$1.7 billion in Prime Supplier diversity spend. Minority suppliers in California realized 3.4% of reported Tier-2 spend dollars. By the end of 2017, Supplier Diversity managed over 400 Prime Supplier procurement plans submitted through our web-based portal.

Improved monitoring practices of our Prime Suppliers contributed to over \$1.7 billion in Prime Supplier diversity spend. Minority suppliers in California realized 3.4% of reported Tier-2 spend dollars. By the end of 2017, Supplier Diversity managed over 400 Prime Supplier procurement plans submitted through our web-based portal.

AT&T also celebrated milestones achieved by active Prime Supplier participants. AT&T leadership annually acknowledges select vendors with the "Diversity Excellence Award." These vendors submit annual plans that meet or exceed the 21.5% use of diverse companies in products/services provided to the Company. Awardees are also recognized for diversity commitments beyond spend dollars – many developed minority forums, maintained memberships in national and regional councils and participated at trade fairs and events.

During 3Q 2017, AT&T gave this award to **48 Tier-1 organizations** for their work and commitment to diversity inclusion.

### Virtual Matchmaking on Demand

Efforts to create meaningful connections between our Prime Suppliers and the minority business community remained a priority. Over the years AT&T has brought these groups together through a variety of different platforms, and we believe the most efficient method continues to be delivered through our Virtual Matchmaking on Demand (V.M.O.D) tool.

The V.M.O.D was developed as a resource for AT&T Prime Suppliers seeking to work with more M/W/DV/LGBT vendors in their supply chain. Delivered through our Supplier Diversity web site, the team created an effortless platform for diverse businesses to connect with some of our Tier-1 vendors.



Having a dedicated 24/7/365 tool has allowed Prime Suppliers to be immediately matched with vetted minority suppliers. Based on feedback, we believe our V.M.O.D portal has been a valuable resource to all parties who have participated. At year's end, Virtual Matchmaking on Demand derived the following results:

- 178 Prime Suppliers have registered in V.M.O.D.
- 761 Diverse Businesses have been activated in the portal with almost 20% from California
- Produced 1,200 matches in 2017
- Instituted a dedicated program manager to conduct additional outreach
- Developed a new system to improve capturing subcontracting opportunities for minority businesses

## Honors & Awards

### Achievement Awards for Supplier Diversity Excellence

Receiving recognition for our Supplier Diversity efforts indicate our program's success. We're pleased to have received acknowledgement from our stakeholders, Diversity Business organizations and other key influencers. The recognition we receive for diverse business inclusion and our program elements are celebrated not only by our team, but also by our corporate leadership. In 2017, AT&T Supplier Diversity received recognition from dozens of organizations across the country.

A sample of our top achievements:

- 2017 Corporation of the Year – Astra's Women's Business Alliance
- 2017 President's Award – Western Regional Minority Supplier Development Council
- Community Impact Award – WBEC-West
- Done Deals Award - Astra's Women's Business Alliance
- Corporation of the Year – National Gay & Lesbian Chamber of Commerce
- Corporation of the Year - National Minority Supplier Diversity Council
- Top Corporation – Women's Business Enterprise National Council
- Top 50 Companies for Supplier Diversity – Black Enterprise Magazine
- Best of the Best – Black EOE Journal





- Top Supplier Diversity Program – Hispanic Network Magazine
- Top Supplier Diversity Program – US Veterans Magazine



## 9.1.2 Summary of Diversity Supplier Purchases Tables

### 2017 – AT&T Results by Ethnicity AT&T Companies Combined

AT&T Total Combined Company Results by Ethnicity & Gender 2017						
		Direct	Sub	Total \$	Total %	
Minority Male	Asian Pacific American	\$ 134,209,050	\$ 27,478,264	\$ 161,687,314	2.04%	
	African American	\$ 162,857,377	\$ 50,610,715	\$ 213,468,092	2.70%	
	Hispanic American	\$ 531,080,437	\$ 26,768,890	\$ 557,849,327	7.05%	
	Native American	\$ 3,821,932	\$ 23,996,951	\$ 27,818,883	0.35%	
	Multi-Ethnic American	\$ 28,722,978	\$ 17,961,966	\$ 46,684,944	0.59%	
	<b>Total Minority Male</b>	<b>\$ 860,691,774</b>	<b>\$ 146,816,786</b>	<b>\$ 1,007,508,560</b>	<b>12.74%</b>	
Minority Female	Asian Pacific American	\$ 20,010,527	\$ 6,699,018	\$ 26,709,545	0.34%	
	African American	\$ 2,304,749	\$ 2,481,603	\$ 4,786,352	0.06%	
	Hispanic American	\$ 107,664,139	\$ 7,071,834	\$ 114,735,973	1.45%	
	Native American	\$ 124,960	\$ 422,520	\$ 547,480	0.01%	
	Multi-Ethnic American	\$ 0	\$ 161,304	\$ 161,304	0.00%	
	<b>Total Minority Female</b>	<b>\$ 130,104,374</b>	<b>\$ 16,836,279</b>	<b>\$ 146,940,653</b>	<b>1.86%</b>	
Total Minority Business Enterprise (MBE)	\$ 990,796,148	\$ 163,653,065	\$ 1,154,449,213	14.60%		
Women Business Enterprise (WBE)	\$ 420,944,870	\$ 78,176,314	\$ 499,121,184	6.31%		
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	\$ 10,850,744	\$ 1,229,208	\$ 12,079,953	0.15%		
Disabled Veteran Business Enterprise (DVBE)	\$ 15,831,723	\$ 25,907,833	\$ 41,739,555	0.53%		
Other 8(a)*	\$ 382,286	\$ -	\$ 382,286	0.00%		
<b>TOTAL WMDVLGBTBE</b>	<b>\$ 1,438,805,771</b>	<b>\$ 268,966,420</b>	<b>\$ 1,707,772,191</b>	<b>21.59%</b>		
<b>Net Procurement**</b>	<b>\$ 7,908,289,603</b>					

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
 \*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars



**2017 – AT&T Results by Ethnicity  
AT&T California**

AT&T California Results by Ethnicity & Gender 2017						
		Direct	Sub	Total \$	Total %	
<b>Minority Male</b>	Asian Pacific American	\$ 71,323,983	\$ 13,776,877	\$ 85,100,860	3.20%	
	African American	\$ 51,837,081	\$ 25,374,878	\$ 77,211,959	2.90%	
	Hispanic American	\$ 157,952,169	\$ 13,421,216	\$ 171,373,385	6.44%	
	Native American	\$ 3,682,051	\$ 12,031,439	\$ 15,713,489	0.59%	
	Multi-Ethnic American	\$ 378,183	\$ 9,005,656	\$ 9,383,839	0.35%	
	<b>Total Minority Male</b>	<b>\$ 285,173,466</b>	<b>\$ 73,610,067</b>	<b>\$ 358,783,533</b>	<b>13.49%</b>	
<b>Minority Female</b>	Asian Pacific American	\$ 12,618,127	\$ 3,358,711	\$ 15,976,838	0.60%	
	African American	\$ 748,673	\$ 1,244,210	\$ 1,992,884	0.07%	
	Hispanic American	\$ 80,939,684	\$ 3,545,631	\$ 84,485,315	3.18%	
	Native American	\$ 87,161	\$ 211,840	\$ 299,002	0.01%	
	Multi-Ethnic American	\$ 0	\$ 80,873	\$ 80,873	0.00%	
	<b>Total Minority Female</b>	<b>\$ 94,393,646</b>	<b>\$ 8,441,266</b>	<b>\$ 102,834,913</b>	<b>3.87%</b>	
Total Minority Business Enterprise (MBE)	\$ 379,567,113	\$ 82,051,333	\$ 461,618,446	17.35%		
Women Business Enterprise (WBE)	\$ 239,175,459	\$ 39,195,543	\$ 278,371,002	10.46%		
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	\$ 2,110	\$ 616,293	\$ 618,403	0.02%		
Disabled Veteran Business Enterprise (DVBE)	\$ 14,930,214	\$ 12,989,504	\$ 27,919,718	1.05%		
Other 8(a)*	\$ 84,853	\$ -	\$ 84,853	0.00%		
<b>TOTAL WMDVLGBTBE</b>	<b>\$ 633,759,749</b>	<b>\$ 134,852,673</b>	<b>\$ 768,612,422</b>	<b>28.89%</b>		
<b>Net Procurement**</b>	<b>\$ 2,660,489,018</b>					

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars



**2017 – AT&T Results by Ethnicity  
AT&T Mobility California**

AT&T Mobility (California) Results by Ethnicity & Gender 2017						
		Direct		Sub	Total \$	Total %
<b>Minority Male</b>	Asian Pacific American	\$ 37,183,049	\$	11,198,826	\$ 48,381,875	1.05%
	African American	\$ 86,654,586	\$	20,626,505	\$ 107,281,092	2.34%
	Hispanic American	\$ 343,911,171	\$	10,909,719	\$ 354,820,889	7.72%
	Native American	\$ 11,885	\$	9,780,009	\$ 9,791,894	0.21%
	Multi-Ethnic American	\$ 28,337,321	\$	7,320,438	\$ 35,657,759	0.78%
	<b>Total Minority Male</b>	\$ 496,098,013	\$	59,835,496	\$ 555,933,509	12.10%
<b>Minority Female</b>	Asian Pacific American	\$ 3,834,327	\$	2,730,199	\$ 6,564,526	0.14%
	African American	\$ 1,381,812	\$	1,011,383	\$ 2,393,195	0.05%
	Hispanic American	\$ 14,150,224	\$	2,882,141	\$ 17,032,365	0.37%
	Native American	\$ 19,102	\$	172,199	\$ 191,301	0.00%
	Multi-Ethnic American	\$ -	\$	65,740	\$ 65,740	0.00%
	<b>Total Minority Female</b>	\$ 19,385,466	\$	6,861,662	\$ 26,247,127	0.57%
Total Minority Business Enterprise (MBE)		\$ 515,483,478	\$	66,697,158	\$ 582,180,636	12.67%
Women Business Enterprise (WBE)		\$ 146,253,513	\$	31,860,924	\$ 178,114,437	3.88%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$ 10,848,168	\$	500,966	\$ 11,349,134	0.25%
Disabled Veteran Business Enterprise (DVBE)		\$ 334,158	\$	10,558,793	\$ 10,892,951	0.24%
Other 8(a)*		\$ 26,341	\$	-	\$ 26,341	0.00%
<b>TOTAL WMDVLGBTBE</b>		\$ 672,945,658	\$	109,617,841	\$ 782,563,499	17.04%
<b>Net Procurement**</b>		\$ 4,593,390,619				

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars



**2017 – AT&T Results by Ethnicity  
AT&T Long Distance California**

AT&T Long Distance Results by Ethnicity & Gender 2017						
		Direct	Sub	Total \$	Total %	
<b>Minority Male</b>	Asian Pacific American	\$ 1,278,021	\$ 143,161	\$ 1,421,182	4.00%	
	African American	\$ 718,695	\$ 263,681	\$ 982,376	2.77%	
	Hispanic American	\$ 2,697,956	\$ 139,465	\$ 2,837,421	7.99%	
	Native American	\$ 316	\$ 125,024	\$ 125,339	0.35%	
	Multi-Ethnic American	\$ 606	\$ 93,581	\$ 94,188	0.27%	
	<b>Total Minority Male</b>	<b>\$ 4,695,594</b>	<b>\$ 764,912</b>	<b>\$ 5,460,506</b>	<b>15.38%</b>	
<b>Minority Female</b>	Asian Pacific American	\$ 254,055	\$ 34,902	\$ 288,956	0.81%	
	African American	\$ 15,666	\$ 12,929	\$ 28,595	0.08%	
	Hispanic American	\$ 1,008,134	\$ 36,844	\$ 1,044,978	2.94%	
	Native American	\$ 1,770	\$ 2,201	\$ 3,971	0.01%	
	Multi-Ethnic American	\$ -	\$ 840	\$ 840	0.00%	
	<b>Total Minority Female</b>	<b>\$ 1,279,625</b>	<b>\$ 87,717</b>	<b>\$ 1,367,342</b>	<b>3.85%</b>	
Total Minority Business Enterprise (MBE)	\$ 5,975,219	\$ 852,629	\$ 6,827,848	19.23%		
Women Business Enterprise (WBE)	\$ 1,962,538	\$ 407,297	\$ 2,369,834	6.68%		
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	\$ 44	\$ 6,404	\$ 6,448	0.02%		
Disabled Veteran Business Enterprise (DVBE)	\$ 6,997	\$ 134,979	\$ 141,976	0.40%		
Other 8(a)*	\$ 1,776	\$ -	\$ 1,776	0.01%		
<b>TOTAL WMDVLGBTBE</b>	<b>\$ 7,946,574</b>	<b>\$ 1,401,309</b>	<b>\$ 9,347,883</b>	<b>26.33%</b>		
<b>Net Procurement**</b>	<b>\$ 35,501,927</b>					

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars



**2017 – AT&T Results by Ethnicity  
AT&T Communications of California**

AT&T Communications of California Results by Ethnicity & Gender 2017						
		Direct	Sub	Total \$	Total %	
<b>Minority Male</b>	Asian Pacific American	\$ 24,423,997	\$ 2,359,400	\$ 26,783,397	4.33%	
	African American	\$ 23,647,015	\$ 4,345,650	\$ 27,992,665	4.52%	
	Hispanic American	\$ 26,519,142	\$ 2,298,490	\$ 28,817,632	4.66%	
	Native American	\$ 127,680	\$ 2,060,480	\$ 2,188,160	0.35%	
	Multi-Ethnic American	\$ 6,868	\$ 1,542,290	\$ 1,549,158	0.25%	
	<b>Total Minority Male</b>	\$ 74,724,701	\$ 12,606,311	\$ 87,331,012	14.11%	
<b>Minority Female</b>	Asian Pacific American	\$ 3,304,018	\$ 575,206	\$ 3,879,224	0.63%	
	African American	\$ 158,597	\$ 213,081	\$ 371,678	0.06%	
	Hispanic American	\$ 11,566,096	\$ 607,218	\$ 12,173,313	1.97%	
	Native American	\$ 16,926	\$ 36,279	\$ 53,205	0.01%	
	Multi-Ethnic American	\$ -	\$ 13,850	\$ 13,850	0.00%	
	<b>Total Minority Female</b>	\$ 15,045,637	\$ 1,445,634	\$ 16,491,271	2.66%	
Total Minority Business Enterprise (MBE)	\$ 89,770,338	\$ 14,051,945	\$ 103,822,283	16.78%		
Women Business Enterprise (WBE)	\$ 33,553,361	\$ 6,712,549	\$ 40,265,910	6.51%		
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	\$ 422	\$ 105,545	\$ 105,967	0.02%		
Disabled Veteran Business Enterprise (DVBE)	\$ 560,354	\$ 2,224,556	\$ 2,784,911	0.45%		
Other 8(a)*	\$ 269,316	\$ -	\$ 269,316	0.04%		
<b>TOTAL WMDVLGBTBE</b>	\$ 124,153,792	\$ 23,094,596	\$ 147,248,387	23.79%		
<b>Net Procurement**</b>	\$ 618,908,039					

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars



**2017 – AT&T Direct Spend Results  
AT&T Total Combined Companies**

AT&T Total Combined Companies 2017 Direct Spend Results								
			Products		Services		Totals	
			\$	%	\$	%	Total \$	Total %
<b>Minority Male</b>	Asian Pacific American	Direct	\$ -	N/A	\$ -	N/A	\$ 134,209,050	1.70%
	African American	Direct	\$ -	N/A	\$ -	N/A	\$ 162,857,377	2.06%
	Hispanic American	Direct	\$ -	N/A	\$ -	N/A	\$ 531,080,437	6.72%
	Native American	Direct	\$ -	N/A	\$ -	N/A	\$ 3,821,932	0.05%
	Multi-Ethnic American	Direct	\$ -	N/A	\$ -	N/A	\$ 28,722,978	0.36%
	<b>Total Minority Male</b>	<b>Direct</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 860,691,774</b>	<b>10.88%</b>
<b>Minority Female</b>	Asian Pacific American	Direct	\$ -	N/A	\$ -	N/A	\$ 20,010,527	0.25%
	African American	Direct	\$ -	N/A	\$ -	N/A	\$ 2,304,749	0.03%
	Hispanic American	Direct	\$ -	N/A	\$ -	N/A	\$ 107,664,139	1.36%
	Native American	Direct	\$ -	N/A	\$ -	N/A	\$ 124,960	0.00%
	Multi-Ethnic American	Direct	\$ -	N/A	\$ -	N/A	\$ 0	0.00%
	<b>Total Minority Female</b>	<b>Direct</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 130,104,374</b>	<b>1.65%</b>
Total Minority Business Enterprise (MBE)		Direct	\$ -	N/A	\$ -	N/A	\$ 990,796,148	12.53%
Women Business Enterprise (WBE)		Direct	\$ -	N/A	\$ -	N/A	\$ 420,944,870	5.32%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$ -	N/A	\$ -	N/A	\$ 10,850,744	0.14%
Disabled Veteran Business Enterprise (DVBE)		Direct	\$ -	N/A	\$ -	N/A	\$ 15,831,723	0.20%
Other 8(a)*		Direct	\$ -	N/A	\$ -	N/A	\$ 382,286	0.00%
<b>TOTAL WMDVLGBTBE</b>		<b>Direct</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 1,438,805,772</b>	<b>18.19%</b>
Total Product Procurement			\$ -					
Total Service Procurement			\$ -					
<b>Net Procurement**</b>							<b>\$ 7,908,289,603</b>	
Total Number of WMDVLGBTBEs that Received Direct Spend		<b>292</b>						
<p>NOTE: * Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  ** Net procurement includes purchase orders, non-purchase orders, and credit card dollars  Direct – Direct Procurement  Sub – Subcontractor Procurement  % - Percentage of Net Procurement</p>								



**2017 – AT&T Indirect Spend Results  
AT&T Total Combined Companies**

AT&T Total Combined Companies 2017 Indirect Spend Results									
			Products		Services		Totals		
			\$	%	\$	%	Total \$	Total %	
<b>Minority Male</b>	Asian Pacific American	Sub	\$ -	N/A	\$ -	N/A	\$ 27,478,264	0.35%	
	African American	Sub	\$ -	N/A	\$ -	N/A	\$ 50,610,715	0.64%	
	Hispanic American	Sub	\$ -	N/A	\$ -	N/A	\$ 26,768,890	0.34%	
	Native American	Sub	\$ -	N/A	\$ -	N/A	\$ 23,996,951	0.30%	
	Multi-Ethnic American	Sub	\$ -	N/A	\$ -	N/A	\$ 17,961,966	0.23%	
	<b>Total Minority Male</b>	<b>Sub</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 146,816,786</b>	<b>1.86%</b>	
<b>Minority Female</b>	Asian Pacific American	Sub	\$ -	N/A	\$ -	N/A	\$ 6,699,018	0.08%	
	African American	Sub	\$ -	N/A	\$ -	N/A	\$ 2,481,603	0.03%	
	Hispanic American	Sub	\$ -	N/A	\$ -	N/A	\$ 7,071,834	0.09%	
	Native American	Sub	\$ -	N/A	\$ -	N/A	\$ 422,520	0.01%	
	Multi-Ethnic American	Sub	\$ -	N/A	\$ -	N/A	\$ 161,304	0.00%	
	<b>Total Minority Female</b>	<b>Sub</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 16,836,279</b>	<b>0.21%</b>	
Total Minority Business Enterprise (MBE)		Sub	\$ -	N/A	\$ -	N/A	\$ 163,653,065	2.07%	
Women Business Enterprise (WBE)		Sub	\$ -	N/A	\$ -	N/A	\$ 78,176,314	0.99%	
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	\$ -	N/A	\$ -	N/A	\$ 1,229,208	0.02%	
Disabled Veteran Business Enterprise (DVBE)		Sub	\$ -	N/A	\$ -	N/A	\$ 25,907,833	0.33%	
Other 8(a)*		Sub	\$ -	N/A	\$ -	N/A	\$ -	0.00%	
<b>TOTAL WMDVLGBTBE</b>		<b>Sub</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 268,966,419</b>	<b>3.40%</b>	
Total Product Procurement			\$ -						
Total Service Procurement			\$ -						
<b>Net Procurement**</b>							<b>\$ 7,908,289,603</b>		
NOTE: * Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE									
** Net procurement includes purchase orders, non-purchase orders, and credit card dollars									
Sub – Subcontractor Procurement									
% – Percentage of Net Procurement									





## 2017 AT&T Total Combined Companies Procurement by Standard Industrial Code

AT&T Total Combined Companies Product/Service Descriptions by SIC																			
SIC Category	Asian Pacific American		African American		Hispanic American		Native American		Multi-Ethnic		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVB)	Other 8(a)**	Total WMDV/LGBTBE	Total Dollars		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female									
SIC 15: Building Construction General Contractors And Operative Builders	\$ 1,500,737	\$ 84,967	\$ 3,163,886	\$ -	\$ 5,854,434	\$ 28,119,446	\$ -	\$ -	\$ 502,473	\$ 161,304	\$ 39,387,247	\$ 13,582,973	\$ 0	\$ 82,186,400	\$ 60,915	\$ 85,217,535	\$ 395,144,829		
%	0.38%	0.02%	0.80%	0.00%	1.48%	7.12%	0.00%	0.00%	0.12%	0.04%	9.97%	3.44%	0.00%	8.15%	0.02%	21.57%			
SIC 17: Construction Special Trade Contractors	\$ 11,928,011	\$ 1,024,443	\$ 7,779,654	\$ 99,705	\$ 20,860,250	\$ 3,010,865	\$ 3,159	\$ -	\$ 107,708	\$ -	\$ 44,813,795	\$ 65,061,618	\$ 44,004	\$ 1,626,382	\$ 252,420	\$ 111,798,119	\$ 998,387,502		
%	1.19%	0.10%	0.78%	0.01%	2.09%	0.01%	0.00%	0.00%	0.01%	0.00%	4.49%	6.52%	0.00%	0.16%	0.03%	11.20%			
SIC 35: Industrial And Commercial Machinery And Computer Equipment	\$ 3,815,858	\$ 15,270,735	\$ 38,212,071	\$ -	\$ 298,772	\$ 54,282	\$ 5,054	\$ -	\$ -	\$ -	\$ 57,656,783	\$ 58,387,137	\$ -	\$ 266,882	\$ 8,480	\$ 116,319,282	\$ 433,481,896		
%	0.88%	3.52%	8.82%	0.00%	0.07%	0.01%	0.00%	0.00%	0.00%	0.00%	13.30%	13.47%	0.00%	0.06%	0.00%	26.83%			
SIC 36: Electronic & Other Electrical Equipment/Components, Except Computer Equip.	\$ 76,929,557	\$ 423,139	\$ 153,771,754	\$ -	\$ 512,002,994	\$ 39,587,185	\$ 27,755,689	\$ 545,268	\$ 46,267,185	\$ -	\$ 856,682,772	\$ 336,999,495	\$ 150,250	\$ 7,191,311	\$ -	\$ 1,201,023,828	\$ 4,190,792,762		
%	1.82%	0.01%	3.67%	0.00%	12.22%	0.94%	0.66%	0.01%	1.10%	0.00%	20.44%	8.04%	0.00%	0.17%	0.00%	28.66%			
SIC 47: Transportation Services	\$ 7,021	\$ 20,456	\$ 1,216,350	\$ -	\$ 2,801,537	\$ -	\$ 4,240	\$ -	\$ 16,598	\$ -	\$ 4,066,203	\$ 599,206	\$ -	\$ -	\$ 0	\$ 4,666,408	\$ 70,525,107		
%	0.01%	0.03%	1.72%	0.00%	3.97%	0.00%	0.01%	0.00%	0.02%	0.00%	5.77%	0.85%	0.00%	0.00%	0.00%	1.42%			
SIC 50: Wholesale Trade-durable Goods	\$ -	\$ 5,784	\$ -	\$ -	\$ 222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,007	\$ 53,167	\$ -	\$ -	\$ -	\$ 59,174	\$ 4,166,133		
%	0.00%	0.14%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%	1.28%	0.00%	0.00%	0.00%	1.42%			
SIC 51: Wholesale Trade-non-durable Goods	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0		
%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
SIC 55: Automotive Dealers And Gasoline Service Stations	\$ 2,030	\$ -	\$ -	\$ -	\$ 358,641	\$ 37,728,902	\$ -	\$ -	\$ -	\$ -	\$ 38,089,574	\$ 58,635	\$ -	\$ -	\$ -	\$ 38,148,208.35	\$ 117,248,633.84		
%	0.00%	0.00%	0.00%	0.00%	0.31%	32.18%	0.00%	0.00%	0.00%	0.00%	32.49%	0.05%	0.00%	0.00%	0.00%	32.54%			
SIC 73: Business Services	\$ 67,521,970	\$ 9,479,764	\$ 7,687,780	\$ 4,569,381	\$ 13,113,500	\$ 6,011,833	\$ 47,191	\$ 2,211	\$ -	\$ -	\$ 108,215,208	\$ 18,268,582	\$ 11,885,698	\$ 466,436	\$ 3,188	\$ 198,839,112	\$ 1,428,845,001		
%	4.73%	0.66%	0.54%	0.32%	0.92%	0.42%	0.00%	0.00%	-0.01%	0.00%	7.97%	1.28%	0.83%	0.03%	0.00%	9.72%			
SIC 81: Legal	\$ 48,306	\$ -	\$ 286,288	\$ -	\$ 989,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,274,144	\$ 379,150	\$ -	\$ -	\$ -	\$ 1,653,295	\$ 74,178,516		
%	0.07%	0.00%	0.52%	0.00%	1.33%	0.00%	0.00%	0.00%	0.00%	0.00%	1.72%	0.51%	0.00%	0.00%	0.00%	2.23%			
SIC 87: Engineering, Accounting, Research, Management, And Related Services	\$ 533,814	\$ 406,357	\$ 1,400,308	\$ 117,244	\$ 1,569,427	\$ 229,459	\$ 3,549	\$ -	\$ 3,403	\$ -	\$ 4,357,482	\$ 5,731,221	\$ -	\$ 2,244	\$ 57,289	\$ 10,048,331	\$ 195,519,224		
%	0.27%	0.21%	0.72%	0.05%	0.80%	0.11%	0.00%	0.00%	0.00%	0.00%	2.18%	2.93%	0.00%	0.01%	0.01%	5.24%			
<b>Gross Products/Services Procurement</b>	<b>\$ 161,687,314</b>	<b>\$ 26,709,545</b>	<b>\$ 213,458,092</b>	<b>\$ 4,786,352</b>	<b>\$ 557,849,327</b>	<b>\$ 114,735,973</b>	<b>\$ 27,818,883</b>	<b>\$ 547,480</b>	<b>\$ 46,897,367</b>	<b>\$ 161,304</b>	<b>\$ 1,154,449,213</b>	<b>\$ 499,121,184</b>	<b>\$ 12,079,953</b>	<b>\$ 41,739,555</b>	<b>\$ 382,286</b>	<b>\$ 1,707,772,192</b>	<b>\$ 7,908,289,603</b>		
%	2.04%	0.34%	2.70%	0.06%	7.05%	1.45%	0.35%	0.01%	0.59%	0.00%	14.60%	6.31%	0.15%	0.53%	0.00%	21.59%			

Total Product Procurement	n/a
Total Service Procurement	n/a
<b>Net Procurement***</b>	<b>\$7,908,289,603</b>
NOTE: * Firms Classified as 8(a) of the Small Business Administration INCLUDES NON-WMDV/LGBTBE	
** Net procurement includes purchase orders, non-purchase orders, and credit card dollars	
Total Dollars - Total Procurement Dollar Amount in specific SIC Category	
% - Percentage of Total Dollars	
% - Percentage of Net Procurement	



## 2017 – AT&T Minority Supplier Report Supplier Clearinghouse Data

### AT&T Total Combined Companies Number of Minority Suppliers & Revenue Reported to the Clearinghouse

Number of Suppliers													
# WMDVLGBTBEs	Revenue Reported to CHS						AT&T Combined Companies 2017 Summary						
	MBE	WBE	LGBT	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBT	DVBE	Other 8(a)*	Grand Total	
Under \$1 million	27	24	0	7	3	61	96	113	0	6	3	218	
Under \$5 million	27	32	0	0	0	59	25	18	0	1	0	44	
Under \$10 million	11	23	0	0	0	34	6	4	0	0	0	10	
Above \$10 million	75	61	1	1	0	138	13	5	1	1	0	20	
<b>TOTAL</b>	<b>140</b>	<b>140</b>	<b>1</b>	<b>8</b>	<b>3</b>	<b>292</b>	<b>140</b>	<b>140</b>	<b>1</b>	<b>8</b>	<b>3</b>	<b>292</b>	

  

Revenue & Payment Data													
WMDVLGBTBE \$M	Revenue Reported to CHS						AT&T Combined Companies 2017 Summary						
	MBE	WBE	LGBT	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBT	DVBE	Other 8(a)*	Grand Total	
Under \$1 million	\$ 8,325,701	\$ 7,519,480	\$ -	\$ -	\$ -	\$ 15,845,181	\$ 21,209,595	\$ 18,116,939	\$ -	\$ 634,683	\$ 132,588	\$ 40,093,805	
Under \$5 million	\$ 76,838,887	\$ 84,405,501	\$ -	\$ -	\$ -	\$ 161,244,389	\$ 51,963,646	\$ 42,133,667	\$ -	\$ 2,762,075	\$ -	\$ 96,859,388	
Under \$10 million	\$ 73,893,914	\$ 157,353,385	\$ -	\$ -	\$ -	\$ 231,247,299	\$ 38,287,403	\$ 26,008,448	\$ -	\$ -	\$ -	\$ 64,295,851	
Above \$10 million	\$ 21,173,064,508	\$ 9,282,983,446	\$ 346,599,260	\$ 12,050,000	\$ -	\$ 30,814,697,214	\$ 879,335,505	\$ 334,685,815	\$ 10,850,744	\$ 12,684,664	\$ -	\$ 1,237,556,728	
<b>TOTAL</b>	<b>\$ 21,332,123,011</b>	<b>\$ 9,532,261,813</b>	<b>\$ 346,599,260</b>	<b>\$ 12,050,000</b>	<b>\$ -</b>	<b>\$ 31,223,034,083</b>	<b>\$ 990,796,148</b>	<b>\$ 420,944,870</b>	<b>\$ 10,850,744</b>	<b>\$ 16,081,421</b>	<b>\$ 132,588</b>	<b>\$ 1,438,805,772</b>	

Other 8(a): \*Firms Classified as 8(s) of Small Business Administration includes non-WMDVLGBTBE  
CHS: Supplier Clearinghouse

Notes 1. Information regarding the number of WMDVLGBTBE suppliers who have the majority of their workforce in California  
2. CHS databases do not contain revenue data for Other 8(a) suppliers



### 9.1.3 Supplier Diversity Program Expenses Tables

AT&T Total Combined Companies Program Expenses		
Expense Category		Amount
Wages	\$	336,798
Other Employee Expenses	\$	805
Program Expenses	\$	117,920
Reporting Expenses	\$	-
Training	\$	-
Consultants	\$	134,730
Other	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>590,252</b>

*Note: Program expenses for CPUC filing represent 17% of total AT&T Supplier Diversity program expenses. This allocation includes only the AT&T companies registered in California and part of this filing, but not all AT&T Inc. operations in California.*

### 9.1.4 Progress Toward Goals Table

AT&T Total Combined Companies Progress		
Diversity Category	2017 Results	2017 Goals
Minority Men	12.74%	11.00%
Minority Women	1.86%	4.00%
Minority Business Enterprise (MBE)	14.60%	15.00%
Women Business Enterprise (WBE)	6.31%	5.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBT)	0.15%	0.00%
Disabled Veteran Business (DVBE)	0.53%	1.50%
<b>TOTAL W/M/DV/LGBTBE</b>	<b>21.59%</b>	<b>21.50%</b>

*% - PERCENTAGE OF NET PROCUREMENT*



## 9.1.5 Summary of Subcontracting Utilization Tables

### 2017 – AT&T Prime Contractor Utilization Total Combined Companies

AT&T Total Combined Companies Summary of Prime Contractor Utilization								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$860,691,774	\$130,104,374	\$990,796,148	\$420,944,870	\$10,850,744	\$15,831,723	\$382,286	\$1,438,805,772
Subcontracting \$	\$146,816,786	\$16,836,279	\$163,653,065	\$78,176,314	\$1,229,208	\$25,907,833	\$0	\$268,966,419
<b>Total \$</b>	<b>\$1,007,508,560</b>	<b>\$146,940,653</b>	<b>\$1,154,449,213</b>	<b>\$499,121,184</b>	<b>\$12,079,953</b>	<b>\$41,739,555</b>	<b>\$382,286</b>	<b>\$1,707,772,192</b>
Direct %	10.88%	1.65%	12.53%	5.32%	0.14%	0.20%	0.00%	18.19%
Subcontracting %	1.86%	0.21%	2.07%	0.99%	0.02%	0.33%	0.00%	3.40%
<b>Total %</b>	<b>12.74%</b>	<b>1.86%</b>	<b>14.60%</b>	<b>6.31%</b>	<b>0.15%</b>	<b>0.53%</b>	<b>0.00%</b>	<b>21.59%</b>
<b>Net Procurement**</b>	<b>\$7,908,289,603</b>							

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
 \*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars  
 Direct – Direct Procurement  
 Sub – Subcontractor Procurement  
 % - Percentage of Net Procurement

### 2017 – AT&T Prime Contractor Utilization AT&T California

AT&T California Summary of Prime Contractor Utilization								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$285,173,486	\$94,393,646	\$379,567,113	\$239,175,459	\$2,110	\$14,930,214	\$84,853	\$833,759,749
Subcontracting \$	\$73,610,067	\$8,441,266	\$82,051,333	\$39,195,543	\$616,293	\$12,989,504	\$0	\$134,852,673
<b>Total \$</b>	<b>\$358,783,533</b>	<b>\$102,834,913</b>	<b>\$461,618,446</b>	<b>\$278,371,002</b>	<b>\$618,403</b>	<b>\$27,919,718</b>	<b>\$84,853</b>	<b>\$768,612,422</b>
Direct %	10.72%	3.55%	14.27%	8.99%	0.00%	0.56%	0.00%	23.82%
Subcontracting %	2.77%	0.32%	3.08%	0.99%	0.02%	0.49%	0.00%	5.07%
<b>Total %</b>	<b>13.49%</b>	<b>3.87%</b>	<b>17.35%</b>	<b>10.46%</b>	<b>0.02%</b>	<b>1.05%</b>	<b>0.00%</b>	<b>28.89%</b>
<b>Net Procurement**</b>	<b>\$2,660,489,018</b>							

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
 \*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars  
 Direct – Direct Procurement  
 Sub – Subcontractor Procurement  
 % - Percentage of Net Procurement



**2017 – AT&T Prime Contractor Utilization  
AT&T Mobility California**

AT&T Mobility Summary of Prime Contractor Utilization								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$496,098,013	\$19,385,466	\$515,483,478	\$146,253,513	\$10,848,168	\$334,158	\$26,341	\$672,945,658
Subcontracting \$	\$59,835,496	\$6,861,662	\$66,697,158	\$31,860,924	\$500,966	\$10,558,793	\$0	\$109,617,841
<b>Total \$</b>	<b>\$555,933,509</b>	<b>\$26,247,127</b>	<b>\$582,180,636</b>	<b>\$178,114,437</b>	<b>\$11,349,134</b>	<b>\$10,892,951</b>	<b>\$26,341</b>	<b>\$782,563,499</b>
Direct %	10.80%	0.42%	11.22%	3.18%	0.24%	0.01%	0.00%	14.65%
Subcontracting %	1.30%	0.15%	1.45%	0.99%	0.01%	0.23%	0.00%	2.39%
<b>Total %</b>	<b>12.10%</b>	<b>0.57%</b>	<b>12.67%</b>	<b>4.17%</b>	<b>0.25%</b>	<b>0.24%</b>	<b>0.00%</b>	<b>17.04%</b>
<b>Net Procurement**</b>	<b>\$4,593,390,619</b>							

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars  
Direct – Direct Procurement  
Sub – Subcontractor Procurement  
% - Percentage of Net Procurement

**2017 – AT&T Prime Contractor Utilization  
AT&T Long Distance California**

AT&T Long Distance Summary of Prime Contractor Utilization								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$ 4,695,594	\$ 1,279,625	\$ 5,975,219	\$ 1,962,538	\$ 44	\$ 6,997	\$ 1,776	\$ 7,946,574
Subcontracting \$	\$ 764,912	\$ 87,717	\$ 852,629	\$ 407,197	\$ 6,404	\$ 134,979	\$ -	\$ 1,401,309
<b>Total \$</b>	<b>\$ 5,460,506</b>	<b>\$ 1,367,342</b>	<b>\$ 6,827,848</b>	<b>\$ 2,369,834</b>	<b>\$ 6,448</b>	<b>\$ 141,976</b>	<b>\$ 1,776</b>	<b>\$ 9,347,883</b>
Direct %	13.23%	3.60%	16.83%	5.53%	0.00%	0.02%	0.01%	22.38%
Subcontracting %	2.15%	0.25%	2.40%	0.99%	0.02%	0.38%	0.00%	3.95%
<b>Total %</b>	<b>15.38%</b>	<b>3.85%</b>	<b>19.23%</b>	<b>6.52%</b>	<b>0.02%</b>	<b>0.40%</b>	<b>0.01%</b>	<b>26.33%</b>
<b>Net Procurement**</b>	<b>\$35,501,927</b>							

NOTE: \* Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  
\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars  
Direct – Direct Procurement  
Sub – Subcontractor Procurement  
% - Percentage of Net Procurement



**2017 – AT&T Prime Contractor Utilization  
AT&T Communications of California**

AT&T Communications of California Summary of Prime Contractor Utilization								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$ 74,724,701	\$ 15,045,637	\$ 89,770,338	\$ 33,553,361	\$ 422	\$ 560,354	\$ 269,316	\$ 124,153,792
Subcontracting \$	\$ 12,606,311	\$ 1,445,634	\$ 14,051,945	\$ 6,712,549	\$ 105,545	\$ 2,224,556	\$ -	\$ 23,094,596
<b>Total \$</b>	<b>\$ 87,331,012</b>	<b>\$ 16,491,271</b>	<b>\$ 103,822,283</b>	<b>\$ 40,265,910</b>	<b>\$ 105,967</b>	<b>\$ 2,784,911</b>	<b>\$ 269,316</b>	<b>\$ 147,248,388</b>
Direct %	12.07%	2.43%	14.50%	5.42%	0.00%	0.09%	0.04%	20.06%
Subcontracting %	2.04%	0.23%	2.27%	0.99%	0.02%	0.36%	0.00%	3.73%
<b>Total %</b>	<b>14.11%</b>	<b>2.66%</b>	<b>16.78%</b>	<b>6.41%</b>	<b>0.02%</b>	<b>0.45%</b>	<b>0.04%</b>	<b>23.79%</b>
<b>Net Procurement** \$</b>	<b>\$ 618,908,039</b>							
<small>NOTE: * Firms Classified as 8(a) of the Small Business Administration includes NON-WMDVLGBTBE  ** Net procurement includes purchase orders, non-purchase orders, and credit card dollars  Direct – Direct Procurement  Sub – Subcontractor Procurement  % - Percentage of Net Procurement</small>								

### 9.1.6 Supplier Complaints

No formal complaints were filed against any AT&T company or its affiliates.

### 9.1.7 Exclusions

Neither AT&T nor its affiliates exclude any product or service category from its purchase base. Only those exclusions stated in General Order 156 such as utilities, government fees and affiliates are excluded.

### 9.1.8 Procurement in Specific Spend Categories

#### Marketing & Advertising

Over the last few years, AT&T Supplier Diversity has made progress in the company’s marketing and advertising diversity spend, increasing opportunities for minority businesses in marketing and advertising. Regular meetings and follow-up with the internal Global Marketing Organization and AT&T agencies have been successful in helping to ensure minority inclusion remains a priority to decision makers.



Advertising and Marketing Primes were very supportive and engaging of diverse suppliers referred by AT&T – each have dedicated sourcing leads within their organizations that collaborate with AT&T Supplier Diversity to enhance diversity inclusion. A shared vision, coordination and dedication of AT&T’s mission led true expansion in this channel – successfully issuing contracts, both direct and indirect, performed by **21 California**-based minority businesses through November 2017.

Progress in Marketing and Advertising has made a significant impact to our leadership. Last year, three agencies of record exceeded our corporate diversity goal of 21.5%, with one achieving over 60%.

AT&T’s marketing business channel offers an array of projects, especially in niche scenarios. These have been very symbiotic to small businesses. Some of the 2017 California awardees are highlighted below.

- **\$350K** in additional projects awarded to WBE media activation company
- Utilized a WBE email marketing company for services, **\$1.2M** in spend
- Spent over **\$9.8M** in advertising services with a MBE creative company
- Awarded over **\$3.3M** in projects to an MBE visual communications company

AT&T will continue to allocate dedicated resources to this area and is committed to explore and embrace all opportunities to increase our diverse spend in Advertising and Marketing.

## Finance

During 2017, AT&T worked with a variety of diverse financial institutions to support operations delivering positive results. AT&T Financial Services spent **\$278 million** with minority firms that provided services to the AT&T Foundation, debt underwriting, open market share repurchases, and dealer services for commercial paper.



Lacking diversity in this area for many years, the Finance group was tasked to meet or exceed the 21.5% M/W/DV/LGBT organizational goal. The Finance team found channels to make inroads for the inclusion of minority suppliers in our vendor pool. Vendor diversification led to optimized production, allowing us to report the following achievements:

- Professionals from our **private market investment** team secured \$153.5 million to minority businesses – over **70%** of the procurement dollars were spent with firms from California.
- AT&T's **public market investments** maintained our emerging manager and diverse manager program, which resulted in **\$167 million** spent with minority vendors.
- AT&T doubled spends with minority firms in debt underwriting - \$9.2 million total, nearly **20% with California** entities.

## Legal

AT&T's Legal Department has developed a program called the "Preferred Counsel Program" that strives to identify minority- and women-owned firms that can assist the company with high quality legal services. Diverse vendors were selected based on their command of AT&T's operations and ability to provide solutions resulting in increased efficiencies. AT&T Legal Leadership has been pleased with the progress and believes the program is the gold standard in procuring legal services by a Fortune 10 company.

AT&T is proud to report during 2017, \$8.9 million dollars, or 95% of the AT&T National legal diversity 2017 spend, was with Supplier Clearinghouse Certified law firms. Additionally, the AT&T Legal Department Diversity and Inclusion Committee funded \$30,000 for diversity initiatives and/or sponsorship programs in California.

- The Bar Association of San Francisco's (BASF) Justice and Diversity Center
- The California Bar Foundation
- The Woman's Leadership Edge Project at Hastings Law School
- The Charles Houston Bar Association Annual Judicial Reception
- The Bar Area Lawyers for Individual Freedom
- The Association of Corporate Counsel, Southern California Chapter Street Law Project





- The Mexican-American Bar Association
- The Constitutional Rights Foundation
- The Centro Legal de La Raza Youth Law Academy
- Funding Law Student Scholarships through the following:
  - Minority Law Student Scholarship Program of BASF
  - Black Women Lawyers of Los Angeles
  - Asian Americans of Los Angeles Advancing Justice
  - John M. Langston Bar Association

### **9.1.9 Justification of Excluded Areas**

AT&T does not exclude any product or service category from its purchase base. Only those exclusions outlined in the General Order 156, such as utilities, government fees and affiliates were removed.

### **9.1.10 Summary of Purchases**

Purchases of products and services that encompassed renewable and non-renewable energy, wireless communications and broadband were reflected in the tables within this report under SIC code 36.



## 10.1.1 AT&T Global Supplier Diversity Goals

M/W/DVBE Annual Short, Mid, and Long-Term Goals by SIC Category																			
		Short-Term 2018						Mid-Term 2020						Long-Term 2022					
		Minority		Total Minority Business Enterprise	Total Women Business Enterprise	Total Minority & Women Business Enterprises	Disabled Veteran Business Enterprise	Minority		Minority Business Enterprise	Women Business Enterprise	Total Minority & Women Business Enterprises	Disabled Veteran Business Enterprise	Minority		Minority Business Enterprise	Women Business Enterprise	Total Minority & Women Business Enterprises	Disabled Veteran Business Enterprise
SIC	Product/Service Descriptions	Men	Women	MBE	WBE	M/WBE	DVBE	Men	Women	MBE	WBE	M/WBE	DVBE	Men	Women	MBE	WBE	M/WBE	DVBE
15	Building Construction/General Contractors Operative Builders	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
17	Construction Special Trade Contractors	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
35	Industrial/Commercial Machinery Computer Equipment	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
36	Electronic - Other Electrical Equipment/Components (Except Computer Equipment)	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
47	Transportation Services	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
50	Wholesale Trade/Durable Goods	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
51	Wholesale Trade/Non-Durable Goods	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
55	Automotive Dealers Gasoline Service Stations	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
73	Business Services	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
81	Legal Services	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
87	Engineering, Accounting, Research Management and Related Services	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%	11%	4%	15%	5%	20%	1.5%
<b>Grand Total</b>		<b>11%</b>	<b>4%</b>	<b>15%</b>	<b>5%</b>	<b>20%</b>	<b>1.5%</b>	<b>11%</b>	<b>4%</b>	<b>15%</b>	<b>5%</b>	<b>20%</b>	<b>1.5%</b>	<b>11%</b>	<b>4%</b>	<b>15%</b>	<b>5%</b>	<b>20%</b>	<b>1.5%</b>

## 10.1.2 Supplier Diversity 2018 Plans

AT&T's charter is to drive technology through defined pillars of data powered, software enabled platforms. In 2018, AT&T's Supplier Diversity Organization remains strategically aligned with AT&T's Technology Operations Organization. This alignment gives the team a comprehensive and early awareness of new building/construction/engineering projects. Major initiatives within the business will drive new contract opportunities for diversity businesses.



2018 is a major milestone as AT&T reaches the 50<sup>th</sup> anniversary of our Supplier Diversity program. In honor of our legacy and our commitment to California minority vendors, the team has formulated the following strategies to elevate diversity and inclusion:

- Hiring a minority consulting firm to transform the Supplier Diversity program
- Shift in roles and responsibilities to strengthen relationships and amplify sourcing opportunities
- Develop new internal metrics to analyze the definition of Supplier Diversity successes
- Revamp internal reporting process by officer, business unit and sourcing channels
- Relaunch the Supplier Diversity program at AT&T C-suite levels
- Boost the number of AT&T sourcing forums
- Elevate engagement with purchasing decision makers in critical areas stated in the general order

Supplier Diversity remains an AT&T Supply Chain **top ten initiative** in 2018. The team believes with this executive support our group will achieve new inroads, resources and results during the year.

### 10.1.3 Supplier Recruitment in Low Utilization Areas

We're formulating plans to ensure all channels within the AT&T organization will find creative ways to include minority vendors into sourcing opportunities. The team has realized some roadblocks within the business and new strategies are on the horizon that place special emphasis on professional services – specifically in low utilization areas such as legal and finance – to realize incremental increases.

The team is hopeful that establishing a formalized Supplier Diversity road-map, continuously communicating, and garnering a surge in leadership support will be the formula necessary to invigorate our program.

AT&T is committed to honoring requirements in General Order 156. Supplier Diversity has a robust plan schedule for the year through the collaboration of regional minority and women



certification agencies, local chambers, other minority support organizations and AT&T hosted events to elevate M/W/DV/LGBT vendors into AT&T Supply Chain. Additional details about our 2018 plans have been addressed in sections 9.1.8, 10.1.2 and 10.1.5.

#### **10.1.4 Supplier Recruitment in Excluded Areas**

AT&T does not exclude any product or service category from our purchasing other than payments to other government agencies, utilities and affiliates. These omissions are exclusions accepted under the General Order 156.

#### **10.1.5 2018 Plan to Encourage Prime Contracting**

AT&T is steadfast in encouraging subcontracting opportunities be awarded to minority vendors throughout the year. Our procurement contracts outline AT&T's expectation to receive written minority inclusion plans from Tier-1 suppliers. After procurement plans are established, primes are assigned to specialists within the Supplier Diversity organization that will drive progress of minority vendor utilization.

Orchestrating a continuous improvement strategy along with the team's new strategic road-map is expected to amplify the identification of sub-contracting projects over the next 12-months. Additional activities to increase prime contracting results are:

- Creating AT&T proprietary events that will include Prime Suppliers
- Launching a "Mobility Construction Turf Vendor" tour that will support connecting outside plant vendors and construction contractors into Tier-2 projects
- Inviting Prime Suppliers to AT&T sponsored conferences
- Promoting VMOD to external constituency base

Collectively, we believe our transformation efforts will lead to uncovering new best practices that will assist in our Supplier Diversity evolution.



## 10.1.6 Compliance Plans

Diverse businesses add value to our Company through their innovation and technology. By identifying and promoting diverse businesses, we're able to deliver world-class products and services that meet our customer's needs around the globe. In accordance with our internal policies and the Public Utility Commission's parameters in General Order 156, the team will support minority inclusion in 2018 by:

- Executing AT&T Global Supplier Diversity's newly created strategic plan
- Discover, create and lead various technical assistance programs throughout the state
- Boost M/W/DV/LGBT engagement through key initiatives at AT&T
- Reorganize the Supplier Diversity team to strengthen internal tactics to place new minority vendors
- Create a calendar of AT&T "roadshows" to foster introductions with internal sourcing leads and various Tier-1 vendors
- Launch new supplier registration portal
- Celebrate AT&T's 50<sup>th</sup> year anniversary through current supplier diversity sponsorships
- Monitor Supplier Clearinghouse certifications throughout the year
- Offer ongoing individual mentoring sessions
- Communicate supplier diversity progression on a quarterly basis (internal only)
- Advocate an annual minority inclusion plan from Premier Tier-1 vendors
- Encourage Prime Suppliers to use the AT&T VMOD tool
- Refer qualified diverse suppliers to certify through the Supplier Clearinghouse
- Increase attention in certain demographic categories to AT&T Executive Officers
- Inspire internal sourcing to assist in identifying smaller contracts that align better with vendors with less than \$10 million in annual sales revenues
- AT&T Global Supply Chain "earmarked" Supplier Diversity as a top priority in the 2018 strategic plan
- Identify opportunities for minority inclusion in the deployment of our 5G network

