

PROCUREMENT ACTIVITIES WITH DIVERSE SUPPLIERS

BEFORE THE PUBLIC UTILITIES

COMMISSION OF THE STATE OF

CALIFORNIA

WMDVBE ANNUAL REPORT AND PLAN

3/2/2015

2014 Annual Report & Plan to the California Public Utilities

Commission

General Order 156



2014 CALENDAR YEAR:

SPRINT CORPORATION

SUBMITTED PURSUANT TO PU CODE § 583 AND GO 66-C

Sprint Sprint Corporation
Sprint Procurement and Real Estate
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ANNUAL DIVERSITY REPORT

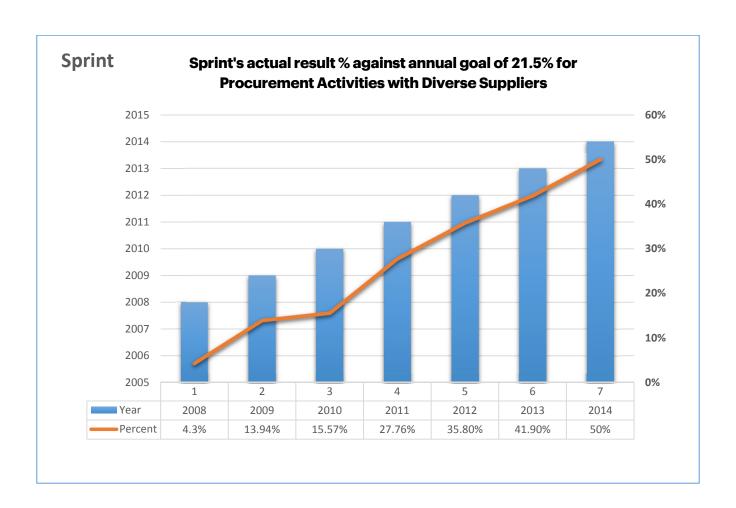
INTRODUCTION

This filing, in compliance with the requirements of California Public Utilities Commission (CPUC) General Order 156 (GO 156), includes a Plan of the Supplier Diversity Program of Sprint Corporation ("Sprint") for the State of California. The Plan describes the program activities undertaken and the results achieved by Sprint, specific to the Sprint/California certified minority, women and service disabled veteran supplier's relationship, for the period of January 1, 2014 through December 31, 2014.

- August 2014 Sprint named Marcelo Claure as the new Chief Executive Officer (CEO).
- Greenlining 2014 Report: Since 2008, Sprint has moved from last to first place related to the supplier diversity results achieved in the state of California:
 - MBE Category: Sprint obtained the top spot with an "A" grade for surpassing the 30% mark with 31.73% (Tier 1 spending only). This was a significant improvement by almost nine points from 2012.
 - African American Category: Sprint was the only company to achieve double digits in this category, taking the top spot with 11.63%, up from 7.94% in 2012 and 4.59% the year before.
 - Sprint was the only company in this report spending above 8% with African American contractors in the last four years.
 - Asian American Category: Sprint achieved the largest increase among the Asian American category with 9.92%, an increase of less than three points from the previous year. Sprint was one of two companies spending above 8% with Asian American contractors in the last two years.
- Sprint remains an active member of the California Utilities Diversity Council (CUDC). The CUDC is a California Public Utility Commission (CPUC) advisory body focused on issues related to diversity and Utility regulation. The CUDC was created with the endorsement of CPUC President Michael R. Peevey and Commissioner Carl Wood. One of the CUDC's major goals is to provide leadership and be a visible and active organization working with and advising the CPUC and the regulated utilities, and other entities such as the Governor's Office, the State Legislature, the National Association of Regulatory Utility Commissions, the White House, and Congress on diversity issues related to public utilities. Sprint, as a member of CUDC, is aligned with insight to support Sprint's goals as a Utility company operating under GO 156.

• Sprint is committed to using our technology, human and financial resources to help make the world a better place. This commitment infuses our business and culture. At Sprint, our Corporate Social Responsibility platform is centered on doing the right thing. This means conducting our businesses in a socially and environmentally responsible manner in order to protect and improve our way of life. Part of doing the right thing is pursuing diversity in all its forms, including: ethnicity, gender, generational, geographical, ability and thought. That's why we are committed to the continued growth of our inclusion and diversity initiatives.

Sprint Supplier Diversity continues to focus on General Order 156 targets. Since 2011 Sprint continues to meet and exceed the goal of 21.5%, and is demonstrated year over year as follows:



CORPORATE COMMITMENT

Sprint's Corporate Responsibility platform is centered on doing the right thing and our corporate commitment for inclusion and diversity begins at the top. Sprint's executive leadership, Employee Resource Groups, multicultural marketing, products and services, supplier diversity and our commitment to philanthropy, work together to ensure our inclusion and diversity strategies and initiatives are a priority for our employees and the diverse customer base we serve.

Sprint Supplier Diversity Mission

The mission of Supplier Diversity at Sprint is to be an effective conduit for certified diverse suppliers, thus identifying, introducing, and promoting opportunities to compete for Sprint business, resulting in annual increased diverse spend.

Sprint Supplier Diversity Policy

The Sprint Supplier Diversity Policy affirms Sprint's commitment to provide certified diverse suppliers with the maximum opportunity to participate in providing products and services to Sprint. Sprint is focused on increasing its purchasing initiatives with CPUC certified diverse suppliers. These mutually beneficial relationships contribute to the economic success of both Sprint and our diverse suppliers.

SUPPLIER DIVERSITY PROGRAM

SprintContinues to advance its Supplier Diversity initiatives through various efforts and established programs. Efforts include training, education, modification of Supply Chain Management policy, diagnostic tools for focused sourcing and tracking, identification and

promotion of existing and new CPUC diverse suppliers, diagnostic tools for focused sourcing and tracking, monitor publication of score cards against objectives, and vendor maintenance. Programs include Business Unit Champions, with Sales for subcontracting opportunities, incentive reward programs, sponsorships, host workshops, internal/external outreach, and supplier development and coaching. The combination of these efforts, programs, and other applications described herein have generated a robust CPUC initiative:



Program Objectives:

- Encourage more suppliers to become CPUC certified
- Continue providing Sprint's cutting-edge technology to students in California to enable them to succeed in an increasingly digital world (Project ConnectED)
- Increase the amount of corporate expenditures with California diverse suppliers
- Continue to develop relationships and host introductions of diverse suppliers to key Sprint executives
- Introduce diverse suppliers to Sprint's prime vendors for subcontracting opportunities
- Encourage Sprint prime vendors to request CPUC certification from their diverse suppliers
- Manage CPUC quarterly reporting from Sprint prime vendors to support GO 156 goal
- Support Sprint prime vendors in identifying CPUC suppliers, for direct & indirect subcontracting
- Enforce contract terms requiring large suppliers to either provide subcontracting opportunities to diverse suppliers or donate a percentage (1% above \$650,000) of annual contract value toward a diverse nonprofit organization, or create a value added reseller (VAR) relationship with a diverse business
- Offer mentoring and relationship building to help diverse suppliers navigate the process to become a qualified supplier and to increase spend with existing suppliers

- Provide training programs to educate employees about the advantages of Supplier Diversity
- Provide incentives, rewards, and recognition to employees that directly impact Sprint's diverse spend results



9.1.1 DESCRPTION OF MWDVBE PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

Sprint is committed to promoting the overall participation of women, minority, and disabled veteran-owned business enterprises (WMDVBE) in purchases of materials and services. The Supplier Diversity team administers the internal and external program activities for Sprint. Described below are the internal and external program initiatives conducted in 2014 to increase the utilization of MWDVBEs.

1. INTERNAL PROGRAM ACTIVITIES

CAPACITY BUILDING:

Document Management Outsourcing: Sprint teamed with a small minority owned CPUC certified vendor, to develop and implement on-site document management services resulting in significant reduction in paper consumption, mitigating loss of jobs by allowing the MBE to absorb Sprint employees, while improving Sprint's cost savings and bottom line. In 2014, Sprint supported the supplier in expanding their footprint by inviting them to present their company to 25+ major corporations during an Industry Group meeting held in Orlando, Florida.

Financial Institutions: Sprint recognizes the importance of expanding its portfolio to include more minority owned financial institutions. Sprint Supplier Diversity continues to introduce diverse suppliers who provides investment management and debt underwriting services to Sprint's Treasury department for consideration of subcontracting Opportunities. As a result, Sprint continues to track diverse participation through a large Sprint customer, Northern Trust. In 2014, Sprint invested over \$10.3M in three minority money market funds – Williams Capital, Ariel Investments and Earnest Investments.

Debt Collection/Call Center Services: In an effort to increase CPUC spend with debt collection and call center services, Sprint partnered with the Customer Care business unit to identify, develop and engage diverse suppliers. Unfortunately, a diverse supplier asked to be removed from Sprint's Call Center services space as they were not properly staffed to manage the account.

Envelopes: in an effort to maintain a continuous supply to Sprint locations and to ensure a continued CA-SDVBE supplier, collaboration with Sprint IT, Supplier Diversity and the CA-SDVBE, resulted in adding a CA-SDVBE envelope supplier.

Sprint's 2.5 Network Modernization Initiative: with Sprint's focus to improve our Network throughout the U.S., Supplier Diversity partnered with the Network business unit to increase the number of diverse suppliers and California suppliers in the site

development commodity, which includes site acquisition, architect and engineering, zoning and permitting, environmental services and cell tower construction services. In 2014, Sprint spent \$17,004,037 on this project with CPUC certified suppliers.

Sprint partnered with CBRE (CB Richard Ellis) to unbundle portions of its national facilities management services to include a significant portion with diverse and CPUC certified suppliers. Through a teaming effort with CBRE and a small CPUC certified Minority Business Enterprise (MBE), Sprint was able to successfully execute an agreement with an MBE to manage Sprint's facilities. In 2014, the minority firm continues to provide services to Sprint.

Advertising: Sprint led strategies to increase a significant portion of the company spend, within the advertising category, from traditional advertising agencies to CPUC certified suppliers. In 2014, Sprint Supplier Diversity, Sprint's Marketing director and Sprint's Agencies of Record (Inspire and Figliulo & Partners) supported the California Utilities Diversity Council's Customer Service and Marketing event held in Irwindale, CA by serving as panelists and participating in one-on-one matchmaking sessions with potential diverse suppliers.

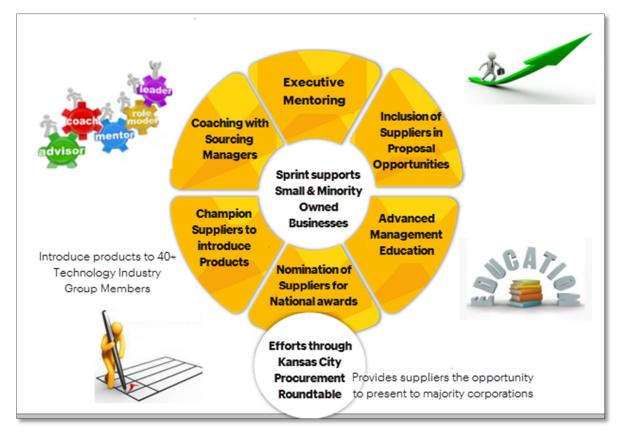
Human Resources Services: Sprint's aggressive efforts to grow the HR ancillary services area and to bring in a CPUC diverse supplier, resulted in further growth of business and spend with a California-based minority woman-owned company. Sprint continues to procure additional services from this minority woman-owned supplier.

iDEN Network Decommission Project: Sprint's success to achieve network efficiencies and grow stronger as a corporation relies on the ability to achieve various goals. One of which is to successfully decommission of the wireless iDEN platform and migrate customers to the wireless CDMA platform. Sprint recognized the significance and magnitude of the scope of work of this project, in terms of spend and customer results, and championed diverse business utilization. As a result, Sprint executed a contract with a minority-owned firm valued at over \$7M. Sprint continues to procure additional services from this supplier requesting that the supplier also evaluate subcontracting opportunities for other diverse suppliers.

Information Technology Services: As a result of an initiative focused on growing our portfolio to include small diverse suppliers within the IT category, Sprint began a trial phase with two diverse suppliers, shifting spend from large VARs (Value Add Resellers) to small CPUC certified diverse suppliers. In 2014, Sprint's efforts resulted in a shift of \$42 million+ from large VARs to small CPUC diverse suppliers.

SUPPLIER DEVELOPMENT:

Supplier Diversity Supports Development of Small and Minority Suppliers in a variety of ways; from Executive Mentoring to coaching with Sourcing Managers as seen in the illustration below.



Sprint remains a memSprint remains a member of the Joint Utilities Committee (JUC), working together with other joint utilities regarding common regulatory issues related to GO 156, the Supplier Clearinghouse and other regulatory issues. Sprint plans to continue participating in face-to-face quarterly meetings, as approved by Sprint management, hosted in the state of California to discuss regulatory changes that might affect the program or the processes used to annually report Utility results to the CPUC, as well as continue building positive relationships with other JUC members.



PROCUREMENT REWARD PROGRAM:

The goal of this program is to challenge Buyers and Sourcing Managers to identify creative ways to negotiate, with their internal clients, to procure products/services from diverse suppliers. Since implementing the Program in mid-2013, Sprint's spend with diverse suppliers has increased by approximately 30%. Creative negotiation strategies include, but are not limited to:

Continue researching diverse businesses for Request for Proposal (RFP) opportunities.

Identify key categories that offer significant opportunities for diverse businesses.

Encourage diverse business Value Added Reseller (VAR) opportunities with major Original Equipment Manufacturers (OEMs). Deploy an unbundled-buy approach on large aggregated projects where there may be an opportunity to procure services from diverse businesses.

Rewards of \$250 - \$500 are announced quarterly, and are based on contract value.

SUPPLY CHAIN TRAINING:

Sprint supply chain professionals who procure goods and services on behalf of Sprint, balance many different factors in sourcing and selecting suppliers. Elements such as total cost of ownership, risk, supplier viability, terms and conditions, sustainability, switching cost, and maintenance requirements are but a few of the myriad of items that factor into a sourcing decision. However, when all things are equal, it's a supplier's diverse status that may be the deciding point in the final selection.

SUSTAINABLE SOURCING:

As part of its sustainability goals, Sprint set a ten-year (2007-2017) absolute GHG reduction target. Sprint has reduced its cumulative GHG emissions 29.36% by year end 2013 (2014 numbers have not been released yet) through Network Vision (large-scale network modernization program, which reduces Sprint's scope 2 GHG

emissions) and, in part, by using a collaborative supplier engagement model across its supply chain, which accounts for Sprint's scope 3 GHG emissions. Sprint was recognized by the EPA with a climate leadership award in February 2014 and was a finalist in the CSR category for the Procurement Leaders award for GHG reductions and supplier engagement. In 2014, in response to the growing importance of water use and conservation, Sprint created a cross-functional team to formulate a framework for addressing water use in Sprint's supply chain. The company published its first water report to the CDC, and revised the criteria by which suppliers are measured to give greater emphasis to water use and goals for reduction. Also in 2014, Sprint explored opportunities to promulgate "Impact Sourcing" - a framework for helping economically or socially disadvantaged suppliers through sourcing activities, largely through its active affiliation with IAOP (International Association of Outsourcing Professionals). Sprint's participation in IAOP includes executive involvement on the advisory board by Sprint's VP Procurement & Real Estate, as well as working group involvement on the CSR committee by Sprint's supply chain sustainability team leader, and presentations at IAOP's Outsourcing World Summit in February 2014 and regional meeting in November 2014. To build the pipeline for future professionals, Sprint regularly participates in "career jumping" events sponsored by PREP-KC, a non-profit that helps high school students from the urban core of the Kansas City metropolitan area explore careers. Sprint supply chain associates (Ullyses Wright and Mary Lewis) highlighted career opportunities in supply chain management and sustainability at PREP-KC events in March and November 2014.

GREENING SPRINT'S SMALL AND DIVERSE SUPPLIERS:

Sprint's goal of ensuring that 90% of its suppliers (based on sourceable spend) meet Sprint's social and environmental criteria by 2017 has set us apart from virtually every other company in the telecom sector, not only because of the aggressive nature of the goal itself, but because of what we are doing to help develop all of our suppliers, including small and diverse firms. In 2014, Sprint launched a newly designed website (www.sprint.com/goodworks) to make it easier for our stakeholders to navigate and find relevant information. Sprint revised its supplier criteria to place greater emphasis on GHG measurement and materiality assessment. The supplier booklet, a free resource available to the public on our Goodworks website, was also revised to reflect the tightened criteria, as well as make it easier for our small and diverse suppliers to read. Two webinars (one on GHG inventories; the other on performing a materiality assessment) have been made available via a private YouTube link to our suppliers. The booklet and supporting downloadable tools continue to be valuable resources that were created in direct response to our small and diverse suppliers' requests to help them "green" their operations and supply chains. To further help our small and diverse

suppliers, Sprint partnered with the Small Business Administration and the Kansas City, MO Chamber of Commerce in May 2014 to deliver a presentation on effective tradeshow marketing techniques. In July 2014, Sprint collaborated with Grapevine Designs, one of our WBE suppliers, and delivered an encore of the tradeshow marketing presentation to the Central Exchange (KCMO-based women's leadership organization). The collaboration provided exposure to Grapevine Designs, whose account executive Victoria Breshears, highlighted ideas and techniques for small firms to extend their brand without breaking the bank.

BUILDING STRONG COMMUNITIES:

SPRINT ACCELERATOR PROGRAM

Partnering with the community and developing Entrepreneurship: Sprint is an enthusiastic supporter of the startup world – particularly in Kansas City, where we opened the Sprint Accelerator. The Sprint Accelerator was designed around the notion that ideas become more powerful when shared. Located in the Crossroads District of Kansas City, Mo., the Sprint Accelerator is a hub for entrepreneurial activity serving Sprint and the local startup community. It's also the home of the Sprint Mobile Health Accelerator powered by Techstars.

Within the accelerator are three areas: a community space where local entrepreneurs can stop by to work remotely or hold a meeting; a co-office space for startup community members Silicon Prairie News and Up Global, with room for more; and a large multi-functional space with working stations, conference rooms and pitch space that is ideal for conferences and workshops when it's not being used for the three-month mobile health accelerator program conducted by Sprint and Techstars.

PROJECT CONNECTED

In demonstrating Sprint's commitment to using our technology, human and financial resources, Sprint provided an initial \$100,000 grant, in 2013, to the Oakland Military Institute (OMI). Located in Oakland, OMI is a racially diverse college preparatory academy for sixth through twelfth graders and is known for its demanding academic program that includes language arts, math, science and history, as well as world languages, leadership and physical fitness training. About 83 percent of the students qualify as economically disadvantaged, and more than 43 percent of students are learning English as a secondary language. Sprint provided Samsung Chromebooks, wireless service and internet security solutions to help 120 economically disadvantaged students which provides ongoing support to OMI students. More than ever, the world calls Sprint to use the power of the Internet and digital technologies in many areas of our lives. Students without the

economic means to fully participate in the digital realm can be at a severe disadvantage in working toward a better future. Sprint is proud to provide the equipment, cutting-edge technology solutions, and resources that the students and teachers need to access the most current educational resources available and to achieve their highest educational goals. Dr. Mark Ryan, Superintendent of OMI said: "with the new technology and technology solutions, students can enjoy enhanced educational experiences while they are here at OMI, and I believe those experiences will lay the foundation for greater opportunities when they leave this school and pursue future careers.

WHITE HOUSE CONNECTED

Sprint joined other leaders in the technology and telecommunications industry in announcing its support of the White House ConnectED initiative, a public and private effort to get technology into classrooms. Starting Sept. 1, 2014, Sprint begins a four-year commitment to provide wireless broadband connectivity for 50,000 low-income K-12 students across the U.S.

UNIVERSITY OF MISSOURI KANSAS CITY'S (UMKC) INSTITUTE OF URBAN EDUCATION

The Sprint Foundation donated \$1 million to support an endowed professorship at the University of Missouri Kansas City's Institute of Urban Education. This program is designed to enhance the academic success of urban K-12 students and will showcase a national training model aimed at reducing high teacher turnover rates by producing teachers who are prepared for and committed to teaching in urban schools. The ultimate goal of Sprint's investment is to create transformational changes in urban educational research, equity, access, policy and practice.

JUNIOR ACHIEVEMENT

Sprint Foundation provided \$300,000 over the past five years to Junior Achievement. Junior Achievement is the world's largest organization dedicated to educating students about workforce readiness, entrepreneurship and financial literacy through experiential, hands-on programs.

<u>Partnership for Regional Educational Preparation (PREP) – Kansas City</u>

The Sprint Foundation provided \$2 million dollars over the past eight years to the Partnership for Regional Educational Preparation- Kansas City. PREP-KC is improving the education of 62,000 low-income urban students by providing resources to prepare all students for college and careers. Initially funded through a

partnership with the Sprint Foundation, Gates Foundation and other local companies.

SPRINT EMPLOYEE MATCHING GIFTS PROGRAM

Over the past 10 years, the Sprint Foundation provided \$2.8 million in matching donations made by employees to K-12 institutions.

WOMEN'S INITIATIVE

Women's Initiative for Self Employment is a nationally-recognized nonprofit organization that provides high-potential, low-income women with the training, funding, and ongoing support to start and grow their own business. The business management training, technical assistance, and financial services provided, in English and Spanish, improve the quality of life for women, their families and communities. Sprint's initial financial support helped create women owned businesses in California.

SUBCONTRACTING

AGREEMENTS

Sprint's Master Agreements with major suppliers require diverse utilization (subcontracting) goals with diverse and CPUC certified suppliers. Subcontracting dollars are reported quarterly to Sprint for review and audit. Major suppliers are asked to donate toward a diverse supplier scholarship or a diverse Council when they fall short of meeting their diverse supplier utilization goal.

Sprint Supplier Diversity initiated an outreach program utilizing e-sourcing to communicate and promote CPUC efforts, across Sprint's major suppliers and partners. In addition, Sprint launched a program requesting its major supply base and partners encourage their diverse suppliers to obtain CPUC certification.

Network OEMs: Sprint Supplier Diversity ensures that Sprint's major Network OEMs provide an annual Supplier Diversity Subcontracting Plan, addressing goals, efforts and reporting of M/W/DVBE goals.

SUPPLIER AUDITS

In an effort to ensure compliance with contractually agreed supplier diversity utilization goals and reporting by Sprint's prime vendors, Supplier Diversity partners with Supply Chain Management (SCM) Reporting and Compliance group to audit the supplier diversity commitments and performance.

SUPPLIER DIVERSITY EDUCATION

Sprint Supplier Diversity implemented an on-line course, which highlights how Sprint's bottom-line is impacted by WMDVBE's, providing an opportunity for Sprint employees to learn more about the program. Upon releasing Sprint's quarterly diverse spend results, employees are reminded and encouraged to take the course.

DIVERSITY AND INCLUSION COUNCIL

EMPLOYEE RESOURCE GROUPS (ERG'S)

Sprint's Office of Inclusion and Diversity has programs to serve our employees, communities, customers and suppliers; including Employee Resource Groups, Veteran/Military Support, and Multicultural Marketing.

Employees – Employee Resource Groups (ERGs), Inclusion Council, inclusion training, diverse recruiting, internal and external surveys and cultural events, activities and education. Sprint's ERG groups consist of six classifications:



• **The Diamond Network** an African American focused group that aids Sprint in recruiting, retaining and developing employees through professional development and mentoring.



• Pride strives to provide support and outreach to Sprint's LGBT employees and customers. Internally, Pride focuses on issues such as workplace culture, attracting and retaining an inclusive workforce, and providing associates with opportunities for professional development. Externally, Pride works to support company objectives by providing insight into LGBT attitudes, identifying business contacts and community and marketing events.



• **Enlace** creates an environment that fosters development of Hispanics, drives understanding and awareness of Hispanic culture and contributes to the business success of Sprint.



OASIS supports the Asian-Pacific American community for employee development, market initiatives, attracting and retaining talent, community involvement and cultural enrichment.



REAL DEAL Provide a platform for employees throughout Sprint to share your voice and passion towards helping people with disabilities in the workplace.



WISE fosters an environment of professional networking, mentoring, and educational opportunities for career growth and development of women.



V.E.T.S: connects veterans who work for Sprint. VETS (Veterans and Employees helping others through Sprint) focuses on providing community-service outreach and professional development to veterans and military personnel. The VETS ERG also host events recognizing past and present members of the armed services.

VETERAN/MILITARY SUPPORT

Sprint values and honors members of the military who serve and have served our country. With approximately 1,000 employees who have identified themselves as veterans and 50 employees who are currently deployed, we are committed to supporting and hiring military veterans and their families. Our strong commitment to the military and veterans is widely recognized. Sprint was recently recognized as a 2014 Most Valuable Employer for Military for the fifth year in a row from Civilian Jobs.com and named by G.I. Jobs as a top Military Friendly Employer for 2014 and 2015.

Another part of Sprint's commitment lies in our recruiting efforts targeted specifically at members of the military and veterans. Our military-specific recruiting efforts include:

| Postings on Base: Sprint | Military Transition | | | |
|---------------------------------|--|--|--|--|
| posts available positions on | Workshop: Supports exiting | | | |
| military bases and transition | military members and | | | |
| offices, military job | veterans with translating | | | |
| websites and universities. | military skills to civilian jobs. | | | |
| Training for Recruiters: | Military Web Page: Highlights | | | |
| Sprint recruiters have the | key points on Sprint's | | | |
| information necessary to | commitment to hiring military | | | |
| help translate skills | veterans and their families, | | | |
| between military and | and benefits offered during | | | |
| civilian positions. | active duty. | | | |
| | | | | |
| Military Occupational Specia | alty (MOS) skills translator: By | | | |
| selecting their MOS code or t | selecting their MOS code or title, applicants receive a list of open | | | |
| Sprint positions that may aligi | Sprint positions that may align with their skills. | | | |

Our commitment to our veterans and members of the military go beyond the hiring process to include specific policies that support employees during involuntary call-ups to active duty. We grant employees time away from work to participate in Reserve and National Guard training. For Reserve and National Guard training, Sprint pays the difference between Sprint base pay and military reserve base pay for up to two workweeks during each calendar year. In the case of involuntary call-up, employees can choose to keep their full benefits in effect and receive un-prorated bonuses or commissions and continued wireless phone benefits.

Sprint's Military Transition Workshop – June 27, 2014

Military veterans looking for work in the Kansas City area were encouraged to attend Sprint's Military Transition Workshop on Sprint's campus June 27.

Exiting military personnel and veterans had the opportunity to talk with hiring teams from Sprint, as well as other companies located on the Sprint campus about career opportunities, meet with members of our VETS Employee Resource Group and attend workshop sessions. This is *not* just a typical job fair. Workshop sessions included information on how to:



While Sprint strives to honor our men and women in uniform everyday through our policies, we also emphasize Veterans Day each year with a community wide celebration. Sprint held a Veterans Day Celebration at our Overland Park, Kansas campus, open to the public on Thursday, Nov. 7.

CUSTOMERS - MULTICULTURAL MARKETING

As a leading provider of wireless and wireline communication services, Sprint recognizes that multicultural populations are heavy users of technology, which is one of many reasons why Sprint is committed to serving this important and influential market. Sprint's Multicultural Marketing efforts work to increase our presence and revenue opportunities in diverse markets by continuing to offer innovative products and services designed with different cultures in mind.

Some examples of how we serve our diverse customer base include:

Visual Voicemail to Text in Spanish

Music and TV content such as BET and Univision channels on Sprint TV

Telecommunications Relay Service (TRS)



Serving as the nation's largest TRS provider.

Spanish Language Fervices to aid our

Hispanic customers including marketing collateral, billing, customer service support and bilingual retail representatives

Providing Sprint ID packs,

prepackaged applications designed for our diverse audience needs, including those described below.



What's your Sprint ID?



Spanish lanLanguage Univision ID

pack for our Hispanic consumers who are looking for entertainment, sports, news and more with a customized focus on the Latino culture. Accessibility-themed Sprint Relay ID packs designed to accommodate the accessibility needs of people who are unable to read standard printed material because of blindness, visual disability, physical

Veterans ID pack to assist those who have served our country, or who are currently serving, find helpful resources, apps, links and other mobile content like U.S. Military News Feed, reputable news outlets like

limitations or dyslexia.

CNN or Fox News, job information and other helpful resources.

METHODS USED TO IDENTIFY MWDVBE

Sprint identifies diverse suppliers through various means of outreach efforts, in-reach efforts, data base utilization, internal vendor registration portal, Sprint Supplier Diversity e-mail box (SupplierDiversity@sprint.com), local, regional and national trade show events and conferences, and match-maker events.

Sprint continues to strive toward a vastly robust diverse business outreach and recruiting campaign. The 2015 year anticipates outreach and recruiting events to include, but are not limited to, the following tradeshows along with use of their databases or support:

- DiversityNxt sponsored by the Technology Industry Group (TIG)
- National Center for American Indian Enterprise Development
- Northern California Minority Supplier Development Council
- Mountain Plains Minority Supplier Development Council
- California Veteran's Business Alliance
- Chicago Minority Business Development Council
- United States Pan American Asian Chamber of Commerce (USPAACC)
- Asian American Chamber of Commerce of Kansas City
- National Minority Supplier Development Council
- Women's Business Enterprise National Council
- The Elite SDVOB Network National Conference
- United States Hispanic Chamber of Commerce
- NaVOBA National Association of Veteran Business Association
- Southern California Minority Supplier Development Council
- Technology Industry Group (TIG)
- California Utilities Diversity Council
- California Public Utility Commission Joint Utilities meetings
- Small Business Administration One-on-One Match Make events
- City of Kansas City, MO, Human Relations Business Opportunity event
- Dynamic Small Business Search: dsbs.sbs.gov
- Women-Owned Small Business: <u>www.womenbiz.gov</u>
- Veteran-Owned Businesses: www.vetbiz.gov
- The SupplierClearinghouse (California)
- CVM Solutions Locator Tool
- SBA.gov
- SAM.gov
- City of Chicago data base
- NMSDC MBysis
- Somwba.state.ma/Business Directory: http://www.somwba.state.ma.us

- Dynamic Small Business Search: http://dsbs.sbs.gov/dsbs/search/dsp-dsbs.cfm
- The SBA's HUBZone website: https://ewebl.sba.gov/hubzone/internet
- Veteran-Owned Small Business: https://www.vetbiz.gov
- CADVBE.org (California disabled veteran owned businesses)
- Various state and city certifying agencies

Prior to attending tradeshows, Supplier Diversity partners with Sprint's Procurement and major Business Units to create a sourcing plan that allows the Supplier Diversity team to proactively seek out diverse suppliers for existing and upcoming Request for Proposal (RFP) opportunities.

COMMUNICATION RESULTS

The Supplier Diversity team continues to communicate results across the Sprint organization in the following manner:

The Supplier Diversity team communicates the results of Sprint's achievements on a quarterly basis to Sprint major Business Unit (BU) executives, BU Diversity Champions and Sourcing staff. The team provides monthly updates to other Sprint employees upon request.

The Supplier Diversity team partnered with the Network Business Unit and cohesively partnered to ensure increased purchasing of network site development services from diverse suppliers, in California as well as in other regions.

The Supplier Diversity team provides weekly update reports on CPUC and other supplier diversity activities, highlighting points of progress and/or areas of risk. The Weekly Activity Report (WAR) is shared with the Procurement and Finance Organization.

The Supplier Diversity team publishes individual Business Unit diversity goals and quarterly results against the goals, on Sprint's internal website, along with articles reenforcing the supplier diversity initiative and its impact on Sprint's bottom line.

Sprint associates are recognized for their support of supplier diversity through various Sprint recognition programs. Recognition is awarded at staff meetings, as well as company-wide recognition on Sprint's internal website. Some awards also entail monetary, all-expense paid trips, and exceptional company benefits as recognition.

The Supplier Diversity Procurement Recognition Program, that challenges procurement buyers and sourcing managers to identify creative ways to negotiate, with their internal clients, to procure products and services from diverse and CPUC suppliers, is continuously advertised announcing quarterly monetary awards based on contract value.

COMMUNICATING PROGRAM SUCCESSES

Communicating program successes, on a quarterly basis, is important to the Supplier Diversity Program. Sprint's Supply Chain Management contracts process includes informing the Supplier Diversity team of diverse awards. Several contract awards will be published internally to emphasize the achievements of the program. Sprint will continue to develop success stories regarding successful partnerships with diverse suppliers with the goal of illustrating that diverse companies can provide cost savings, process improvements, and added value to the company.

INTERNAL PROGRAM IMPROVEMENTS

Sprint's Supplier Diversity program continues to improve in California. Many of these improvements are attributable to the leadership by Sprint's VP of Procurement and Real Estate, who continues open dialogue regarding diversity at Sprint's executive level. Additionally, hard work and flexibility of the Sprint Business Unit Diversity Champions, staff within Supplier Diversity, Supply Chain Management professionals and Sales demonstrate efforts to comply with the corporate policy of supplier diversity.

Sprint Supplier Diversity continues the initiative of informing diverse suppliers of CPUC certification and requesting M/W/DVBE suppliers to pursue and obtain CPUC certification.

Sponsorships: Sprint teams throughout the enterprise to engage diverse suppliers in networking opportunities and events. Sprint is a major sponsor of several national, regional and local conferences aimed at developing the diverse supplier communities.

Supplier Exposure: Sprint Supplier Diversity will continue to introduce diverse suppliers to Technology Industry Group (TIG) member companies that includes AT&T, Verizon, Alcatel-Lucent, Cisco, Google and other technology companies, as well as Sprint decision makers, to increase spend opportunities.

Sprint Supplier Diversity will continue to host, participate in and attend Buyer/Supplier forums. Sprint conducted Lunch and Learn sessions and one-on-one meetings, spotlighting diverse suppliers in various market segments, for introduction and networking opportunities with Sprint executives, Sourcing staff and major suppliers who may be able to procure the products/services provided by the diverse businesses.

Sprint's involvement in such events leads to increased opportunities for diverse supplier participation in sourcing and sales opportunities.

Sprint Supplier Diversity partners closely with the Supply Chain Management Compliance and Reporting group, to further validate the consistency and accuracy of supplier data, used for reporting across the Sprint enterprise.

Sprint's Supplier Diversity and Supply Chain Management teams continue to interact weekly with employees making purchasing or business decisions. Their involvement in Supplier Diversity adds benefit by promoting the inclusion of diverse suppliers in bids and by including Supplier Diversity requirements within the contracts they create.

Supplier Diversity maintains California diverse supplier information in the Zycus supplier management tool. This allows for proactive identification of suppliers and increased supplier recruitment, and improved means of communications.

The Supplier Diversity requirements of our suppliers include providing Sprint with strategic subcontracting plans and quarterly Tier II spending reports. Sprint enforces a mandatory requirement of "Diversity in Subcontracting" as one of its contract terms and conditions. The contractual language requires the prime contractors to spend a certain percentage of the total annual contract revenue earned from Sprint with diverse suppliers, create a value-added relationship with a diverse supplier or donate a portion of their revenue to support a diverse initiative such as scholarships or support a diverse organization.

Sprint's Supplier Diversity goal is to continue efforts to be a World Class Program. In doing so, Sprint continues to measure processes against industry standards. To gain an understanding of additional ways to improve, the team continues to participate in training workshops with the CPUC and Joint Utilities as well as with The Women's Business Enterprise National Council (WBENC), National Minority Supplier Development Council, Technology Industry Group and through other sources, on strengthening the Supplier Diversity Program.

WMDVBE Supplier Verification/Certification

Suppliers wishing to participate in the Supplier Diversity Program must provide proof of certification. This is Sprint's way of guaranteeing the diverse spend reported is accurate and ensuring that the supplier is truly diverse. New Sprint suppliers must register at www.sprint.com/supplierregistration. Suppliers claiming diverse status must attach an authorized certification into Sprint's registration tool. Diverse Suppliers wishing to

participate under General Order 156 must become certified with The Supplier Clearinghouse.

Sprint Supplier Diversity audits supplier records on an ongoing basis to validate certification information. In addition, Supplier Diversity and Sprint's Reporting group are cohesively aligned to ensure accurate diverse status prior to releasing quarterly and other reports, internally and externally.

PUBLICATIONS AND ADVERTISING

Sprint advertises corporate-wide in diverse publications, and create articles, that further support Sprint's efforts with diverse suppliers as follows:

- Minority Business Entrepreneur
- Diversity MBA Magazine
- How to Do Business with Sprint
- Kansas City Procurement Roundtable
- Institute of Supply Management forums
- Black EOE Journal
- Black Achievers Society, Kansas City
- Hispanic Business Magazine Diversity Elite 60
- Hispanic Network Magazine
- Professional Woman's Magazine
- United States Hispanic Chamber of Commerce
- DiversityNxt
- DiversityPlus
- Vetrepreneur
- Black Enterprise
- DiversityInc
- Chicago Business Opportunity Fair Brochure
- National Minority Supplier Development Council
- Mountain Plains Minority Business Development Council
- Women's Business Enterprise National Council
- Career Focus Magazine
- United States Asian American Chamber of Commerce
- Thinking Bigger (small business journal)
- CTIA- The Wireless Association
- Human Relations Department, Kansas City, MO

These advertisements helped disseminate program updates and information to promote the program.

CROSS FUNCTIONAL TEAM - SOURCING DIVISION

Sprint Supplier Diversity and Sourcing are cohesively aligned, both organizations under the Procurement and Real Estate organization, to ensure sourcing activities are researched, negotiated and monitored for diverse participation and inclusion. SCM also works in partnership with the Business Units in ensuring diverse participation in the sourcing of products and services.

Sprint Supplier Diversity and the Sprint Contractor Solutions Group (which manages Sprint's staffing needs) partners to ensure increased utilization of CPUC certified suppliers in the contingent labor and vendor managed labor services. In 2014, there were 29 admin vendors and a 72% diverse vendor pool.

Sprint maintains its modified Supply Chain Management policy language to allow diverse suppliers to win business, even if they are slightly more expensive, if all other factors are equal. These efforts resulted in Sprint directly procuring more services/products from small and diverse suppliers.

Procurement Quarterly Tracking Efforts: In addition to a corporate goal, Sprint has established individual business unit supplier diversity goals, for each of Sprint's major business units across the enterprise. The Supplier Diversity manager releases quarterly results to the Procurement managers, major Business Unit executives, and Business Unit Diversity Champions in order to evaluate Sprint's existing purchases with large businesses that can be considered to be realigned with a diverse business upon contract termination. Additionally, opportunities to unbundle major projects to include diverse utilization are considered.

The Sprint Supplier Diversity team partners closely with the Compliance and Reporting team to ensure accurate diverse supplier status, flag CPUC suppliers, and share such suppliers with Sprint's business units in promoting further growth opportunities for CPUC suppliers.

EXTERNAL PROGRAM ACTIVITIES

MEETINGS, CONFERENCES, AND TRADE FAIRS

In 2014, Sprint, as a corporate member or Sponsor, attended several trade fairs and conferences with the goal of developing and promoting its program, as well as recruiting targeted diverse, innovative suppliers for participation in its program. The following details Sprint's 2014 participation:

| Supplier Diversity Program Manager's conference | Chicago |
|--|--------------|
| Northern Minority Supplier Development Conference | California |
| CPUC Meetings | California |
| Joint Utility Meetings | California |
| U. S. Pan Asian American Chamber of Commerce | Virginia |
| National Center for American Indian Enterprise Development | Las Vegas |
| Women's Business Enterprise National Council (WBENC) | Philadelphia |
| National US Hispanic Chamber of Commerce Convention | SLC, Utah |
| Mountain Plains Minority Supplier Development Council | Kansas City |
| Mid America MSDC Annual Golf Outing | Kansas |
| CPUC Annual Supplier Diversity En Banc | California |
| California Utilities Diversity Council Biz Matchmaking | California |
| California Disabled Veteran Business Alliance KTP | California |
| National Minority Supplier Development Council Trade Fair | Orlando |
| Chicago Minority Supplier Development Council Trade Fair | Chicago |
| Elite SDVOB National Convention | New York |
| Minority Enterprise Development Week | Kansas City |
| City of Kansas City, MO Government Contracting Forum | Kansas City |
| • Kansas City Hispanic Chamber of Commerce Procurement 1:1 | Kansas City |
| Kansas City Asian Chamber of Commerce Award Dinner | Kansas City |
| Black Achiever's Golf Tournament | Kansas City |
| TIG – Technology Industry Group Diversity Meeting | Orlando |

ADDITIONAL EXTERNAL OUTREACH

 Sprint partnered with major corporations (Black & Veatch, Burns & McDonnell, Kansas City Power & Light, KC Southern Railroad and Hallmark Cards) to coordinate and host a half-day Kansas City Procurement Roundtable (KCPRT) event spotlighting 16 high performing diverse suppliers. The KCPRT is chaired by Gene Agee, VP Sprint Procurement and Real Estate. Executives and professionals from each corporation attended the event held on 6/11/14. Sprint's Supplier Diversity manager, Joyce Christanio, served as the moderator receiving very positive comments from all attendees.

- Sprint supported small business growth initiatives with Thinking Bigger, a media organization that advocates and supports small businesses. Sprint provided support and sponsorship for the 25 Under 25 event, which is an annual event hosted by Thinking Bigger Media, awarding 25 KC small businesses that are 25 employees and under with trophies.
- Sprint supported The National Center for American Indian Enterprise Development (NCAIED), a non-profit organization, with over 40 years of assisting American Indian Tribes and their enterprises with business and economic development, helping Tribal Nations and Native business people realize their entrepreneurial goals, through the annual Reservation Economic Summit, in which Sprint participated and provided introduction opportunities. Many suppliers stated that they are Sprint customers and thanked Sprint for its support of the organization and the American Indian Tribes.
- Sprint supported the Mountain Plains Minority Supplier Development Council's (MPMSDC) annual golf tournament promoting building businesses through community collaboration and diversity efforts. The event allows for networking opportunities with local diverse suppliers, including MPMSDC members from KS, MO, OK, NE and CO. Sprint supported the event through sponsorship and staff volunteers.
- Sprint sponsored the TELACU Education Foundation with \$10,000.00 supporting
 and serving young people and veterans, and providing financial resources and
 comprehensive services to college students in California, Illinois, Texas and New
 York. Nearly all of these scholars earn their degree. The Foundation also annually
 serves an additional 1600 young people and veterans, ensuring scholars stay in
 school, graduate and go on to pursue post-secondary education.
- Sprint partnered with the National Minority Supplier Diversity Council (NMSDC) in supporting small minority business owners through an Advanced Management Education Program. Sprint provided a \$5,800 sponsorship to a small minority owned business (Alpha Energy and Electric), to attend the NMSDC Minority Business Executive Program, held at Kellogg Graduate School of Management -Northwestern University, June 1 – 5, 2014.
- Sprint awarded a \$300.00 scholarship for Vasanthi ILANGOVAN, President & CEO of Viva USA, a minority and woman owned IT business, to attend USPAACC Biz Express program. The Biz Express: ReadySetGrow Executive Coaching Program provides business development and training for diverse business owners and principals.

- Sprint supported the 8th Annual KC Government Contracting & Procurement Forum. The 2014 Theme: "Vital Signs - How to Survive in a Tough Economy" provided small and diverse businesses an opportunity to showcase their products/services to various government and corporate contracting and procurement organizations, with the intent of increasing business opportunities with diverse businesses. The all-day event was held on Thursday, August 14, 2014.
- Sprint, as a member of TIG (Technology Industry Group), collaborates with other corporate members in providing business opportunities for diverse suppliers. At Intel's request, Sprint facilitated a minority supplier introduction to Intel executives, for consideration in upcoming RFP opportunities.
- Sprint participated in the Kansas City Small Business Expo on Tuesday, September 2nd, meeting with nearly 30 small and diverse suppliers, with the mission to identify business opportunities with diverse businesses who reside where we all live and work. Sprint managed a table and provided a forum where diverse suppliers can learn more about opportunities at Sprint and responded to questions and concerns of small and diverse business owners.
- Sprint hosted the Women's Business Development Center (WBDC) initiative, in promoting local women-owned business certification, by providing a networking forum on November 10 with over 30 in attendance. Sprint received appreciation and acknowledgement for its on-going efforts in promoting women-owned businesses.
- In an effort to further increase purchasing with women-owned businesses, Sprint
 along with other majority corporations led an initiative to establish a WBENC RPO
 (Women's Business Enterprise National Council Regional Partnership
 Organization) in the Kansas City area. We anticipate the results to yield increased
 support, growth and development with existing and new businesses.
- Sprint Supplier Diversity manager, Joyce Christanio, participated as a panelists in a women's business forum, along with other corporate and government members, hosted by Arvest Bank. The panelists provided essential information regarding how to become certified and gain business opportunities. Panel speakers also included women-owned businesses sharing their success stories. Sprint was highly recognized throughout the program, by women-owned businesses, for support of women-owned businesses.

- Sprint hosted an on-site Supplier Diversity Forum whereby 12 diverse suppliers gave a five minute presentation of their product/service offerings. Also in attendance were members from Marketing, Human Resources, Procurement VP and Sourcing director also Sourcing professionals who support Network, Marketing, Facilities and IT; CB Richard Ellis Real Estate Management Company; Metropolitan Community College; Small Business Administration and City of Kansas City, Missouri. The event was well-attended and the feedback very positive. Business cards were exchanged and networking took place after the presentations. Most all of the Minority/Women Business Enterprises commented that this was a great event and they were very appreciative that Sprint provided the networking opportunity.
- Sprint supported the Mountain Plains Minority Supplier Development Council (MPMSDC), in obtaining sponsorships from other members to support a Holiday Networking Reception, providing small and diverse businesses an opportunity to network. Sprint's outreach efforts resulted over \$2000 in sponsorships.
- Sprint hosted a "Solutions for Nonprofit" recognizing that a nonprofit agency operates like most other businesses: Up-to-date procedures and the latest technologies are required to be successful. Sprint Solutions for Nonprofits was held June 25 at the Sprint Executive Briefing Center. Leaders of area nonprofits attended an informational seminar, "Sprint Solutions for Nonprofits". During the session, attendees learned about mobile point-of sale solutions and how Sprint recently teamed with Vantiv to make donation-gathering easy, secure and efficient. Attendees were also provided several hands-on demonstrations of solutions and apps that can help charitable agencies increase their gifts.
- Sprint Supplier Diversity Manager, Joyce Christanio, served as Table Leader at the Supplier Diversity Manager's Caucus during the US Pan American Asian Chamber of Commerce 2014 CelebrAsian Procurement Conference, leading efforts in discussion regarding sharing best practices, opportunities and challenges around supplier diversity.
- Sprint Supplier Diversity and Sprint Sourcing provides ongoing mentoring support
 of a local organization, PREP-KC, whose mission is to inspire Kansas City's urban
 students to develop and pursue their dreams. PREP-KC partners with five of Kansas
 City's urban school districts and three charter schools to prepare students for
 college and careers.

MEMBERSHIPS

Supplier Diversity growth within Sprint cannot be obtained without the assistance of and participation in various organizations and associations whose mission is to develop minority, veteran and woman-owned organizations. Sprint staff held the following positions with various diversity Councils:

Vice-President Procurement and Real Estate, Gene Agee, serves as: Co-Chairman, Mountain Plains Minority Supplier Development Council; Women Business Enterprise National Council (WBENC) Procurement Advisory Board; Sprint Executive Champion for United Way; Board Member of 100 Black Men of Greater Kansas City; Advisory Board Member for the International Association of Outsourcing Professionals (IAOP); Board Member for Kansas University, School of Supply Chain Management; Member of Kansas City Procurement Roundtable; Member of the Executive Leadership Board (ELC).

Finance Director, David Sanchez, served as a Board Member of the Kansas City Hispanic Chamber of Commerce.

Supplier Diversity Manager, Joyce Christanio, served as Board Member of National Minority Supplier Development Council; past two-term Chair of the Technology Industry Group (TIG); Mountain Plains Minority Business Development Council's Procurement Advisory Board; US Hispanic Chamber Procurement Advisory Council; Advisory Member of California Utilities Diversity Council (CUDC); National Veteran-Owned Business Association (NaVOBA) Advisory Board; Active member of California Joint Utilities Committee; Think Bigger Advisory Board and Greater Kansas City Federal Executive Board Small Business Committee.

NATIONAL AFFILIATIONS

- National Minority Supplier Development Council (NMSDC)
- Congressional Black Caucus Foundation
- Human Rights Campaign
- League of Latin American Citizens
- National Council of La Raza
- National Association for the Advancement of Colored People (NAACP)
- National Urban League
- National Eagle Leadership Institute
- National Association of Asian American
- National Hispanic Corporate Council Professionals
- U.S. Hispanic Chamber of Commerce
- National Association of Women Business Owners
- U.S. Pan Asian American Chamber of Commerce
- Women's Business Enterprise National Council (WBENC)
- California Disabled Veteran Business Enterprise

- National Veteran Owned Business Association
- 2014 National Disabled Veterans Winter Sports Clinic
- 2014 National Disabled Veterans Summer Sports Clinic
- 2014 VFW (Veterans of Foreign Wars) National Convention
- 2014 Sponsor of the Army Soldier Show
- 2014 Snofest
- MWR (Morale Welfare & Recreation)
- ARMP (Army Machine Program)

REGIONAL AFFILIATIONS

- California Utilities Diversity Council
- California Disabled Veterans' Business Alliance
- Chicago Minority Business Development Council
- Colorado Minority Supplier Development Council
- Dallas/Fort Worth Minority Business Development Council
- Mountain Plains Minority Business Development Council (Colorado, Kansas, Oklahoma, Nebraska)
- Northern California Supplier Development Council
- Southern California Regional Purchasing Council

LOCAL AFFILIATIONS

- Kansas City Procurement Round Table (KCPRT)
- Mountain Plains Minority Business Development Council
- Lee's Summit, Missouri Chamber of Commerce
- Overland Park, Kansas Chamber of Commerce identify corporations that have demonstrated best practices through their diverse representation within their employee base, senior management ranks, corporate boards and supplier pools.
- Asian American Chamber of Commerce of Kansas City (MO)
- Kansas City Hispanic Chamber of Commerce

2014 AWARDS AND RECOGNITIONS

SPRINT CORPORATION

Sprint received the following corporate awards/recognition in 2014 for its Inclusion and Diversity efforts:

• Corporate Equality Index (CEI). Sprint has received a perfect 100% score for eleven straight years. The HRC CEI report provides an in-depth analysis and rating of large U.S. employers and their policies and practices pertinent to gay, lesbian, bisexual and transgender employees, consumers and investors. The HRC CEI is also a benchmarking tool for US businesses in the evolving field of LGBT equality in the workplace. The CEI report contains a breakdown of each business's rating in the appendices. Ratings for businesses with consumer products appear in HRC's annual "Buying Guide for Equality."

- Black Enterprise Magazine has named Sprint as a 2014 Best Company for
 Diversity. The publication's survey takes a look at corporations that have
 demonstrated best practices through their diverse representation within their
 employee base, senior management ranks, corporate boards and supplier
 pools.
- **CivilianJobs.com** named Sprint a winner for the **CivilianJobs.com 2014 Most Valuable Employers** (MVE) for Military for the 6th year in a row.
- Leadership: Best Places for Diverse & Women Managers To Work ranking at #29. Diversity MBA Magazine expanded its research evaluations in 2013 to include companies that implement intentional strategies based on accountability, succession planning, representation, workplace inclusion, recruitment and board diversity; that allows and encourage managers and women of diverse backgrounds to advance and develop into leadership roles. This recognition showcases Sprint's long-standing commitment to diversity as a corporate leader providing a great work environment with opportunities for leadership development for women and people of color.
- **Hispanic Business Magazine** named Sprint to the **Top 50 Best Companies for Diversity Practices**. Sprint ranked #36.
- **Hispanic Network Magazine** named Sprint as a **Top LGBT-Friendly Employer** in September 2014.
- **Human Rights Campaign (HRC)** awarded Sprint a 100% rating on the 2015 Human Rights Campaign (HRC)
- **LATINA Style 50** named Sprint #50. **LATINA Style 50** reports on the top 50 corporations for Latinas to work for in the United States is the most respected evaluation on corporate America's employment policies and practices as they pertain to Hispanic women, and the most utilized source of information for Latinas looking for a job.
- **LATINA Style 50** named Sprint's Enlace ERG to the Honorable Mention list for 2014 as one of the **Top Employee Resource Groups of the Year**.
- **Military Friendly Employer** Sprint earned the 2015 Military Friendly Employer designation.
- Minority Business News team On September 4, 2014, recognized Sprint
 among the 2014 Corporate 101: America's Most Admired Corporations for
 Supplier Diversity as a result of Sprint's demonstrated commitment to growing
 and developing minority-owned enterprises to positively impact the manner in
 which our world does business.

- **United States Hispanic Chamber of Commerce -** Sprint was recognized as a \$500+ Million Dollar Club Level Member at the September 2014 USHCC conference.
- United States Hispanic Chamber of Commerce Sprint's Enlace ERG has been selected as a top 5 finalist for the 2014 USHCC ERG Corporate Challenge that will take place on September 21, 2014.
- **Upward Synergy** Sprint ranked seventh on the list of top companies, which also included Fannie Mae, Johnson & Johnson, Toyota Motor Sales USA and General Motors Co.

EMPLOYEE DIVERSITY AND INCLUSION AWARDS

- **Gene Agee**, Vice President Procurement & Real Estate, named one of the Top 100 Executives in America for 2014 by Uptown Professional Magazine. Uptown Professional Magazine recognizes CEOs and next generation of big business leaders in the United States.
- **Joyce Christanio**, Manager Supplier Diversity:
 - Named one of the Top 25 Women in Power Impacting Diversity for 2014 by DiversityPlus Magazine.
 - Presented with a 2014 Kansas City Chamber ACE award. The ACE awards recognize culturally diverse mid-to-senior level managers who are achieving excellence, having an impact that exceeds expectations for the employer and the company's bottom line.
 - Recognized as Supplier Diversity Advocate of the year by the Mountain Plains Minority Supplier Development Council
 - ° Recognized by Who's Who Publishing as a Kansas City Black professional.
- Mike Ellis, National Director for <u>Sprint Relay</u>, named one of the 2014 "Employees
 of the Year" by <u>CAREERS & the disABLED magazine</u> for his professional and
 advocacy efforts on behalf of people with disabilities in the workplace and in the
 community.
- Traci Jovanovic, Vice President of National Channels and executive sponsor of Enlace (pronounced en-lah-say), Sprint's Hispanic-focused ERG, named the ERG Executive Champion of the Year at the event. The awards were given by Upward Synergy, a company that develops employee resource groups to augment their organizations' business return on investment.
- **Nesreen Mansour**, Manager Telecom Design, honored by Women of Color as a STEM Honoree September 2014.
- **Ralph Reid**, Vice President Corporate Responsibility, named one of the Top 100 Executives in America for 2014 by Uptown Professional Magazine. Uptown Professional Magazine recognizes CEOs and next generation of big business leaders in the United States.

- **Ralph Reid**, Vice President Corporate Responsibility, named one of the Top 100 Most Influential Black Executives in America for 2014 by Savoy Magazine.
- **Keanon Swan**, Manager Strategic Partner Relationships & Postal Strategy, was awarded the 2015 Black Achievers in Business and Industry Award.
- **Kendra Wright**, Vice President-Postpaid Care and Collections, named to Ingram's magazine's "40 Under Forty." The leaders were selected for their noteworthy business and civic-minded accomplishments in the Kansas City area before the age of 40.

PRESENTATIONS

As part of Sprint's outreach to suppliers, organizations, and associations, the Vice President of Procurement and Real Estate, Director of Sourcing, Procurement Managers and the Supplier Diversity Manager participate in and, when requested, provide presentations at various events. Such events include the following:

- Minority Media and Telecommunications Council: Sprint Sourcing director, Marvin Motley, participated as panel speaker providing information designed to help diverse suppliers navigate in the telecom industry
- Sprint Sourcing manager, Mary Lewis, presented an "Effective Tradeshow Techniques" workshop, incorporating expertise from supply chain management and a Sprint diverse vendor, Grapevine Designs, at the Kansas City Central Exchange Women's Leadership Organization.
- Sprint Original Equipment Manufacturer (OEM) Sales Forums
- Technology Industry Group Panel
- National Minority Supplier Development Council Forums
- Kansas City Small Business- Procurement Panel
- Local diversity council events

PRIME SUPPLIERS PARTICIPATION PROGRAM (TIER II SUBCONTRACTING)

Methods Used to Develop Utilization Requirements & Efforts to Provide Subcontracting Opportunities to DIVERSE BUSINESSES

Sprint continues to promote and introduce diverse suppliers to the Network Vision OEMs, Alcatel-Lucent, Ericsson, Samsung and Black & Veatch and others, for diverse sub-contracting opportunities, and in support of meeting their contractual diverse spend commitments in Sprint contracts. Sprint continues to highlight CPUC diverse suppliers to OEMs for subcontracting opportunities not only in California but throughout the U.S.

Sprint monitors major subcontracting plans to ensure that subcontracting goals are achieved with small and diverse businesses, on behalf of Sprint's Network Vision project. Network Vision is Sprint's multi-year initiative to provide an enhanced network expansion.

Sprint Supplier Diversity continually partners with Sprint Sales to identify small and diverse businesses to participate as subcontractors in the execution of Sprint Sales contracts with major Sprint customers.

MAJORITY SUPPLIER DEVELOPMENT

Sprint believes that not only diverse suppliers require development; however, raising awareness with majority suppliers, regarding the importance of establishing and monitoring diverse utilization goals, within their companies is also key. Therefore, Sprint will continue to lead efforts in developing diverse and majority suppliers in an effort to support the communities

where we work and live. Sprint raises awareness of supplier diversity with majority corporations by reminding them how diverse utilization goals supports their organization.



9.1.2 SUMMARY OF WMDVBE PURCHASES/CONTRACTS

Sprint Corporation is a national provider of telecommunications services, offering service in California and other states. Sprint operates an integrated national network that offers its customers a national wireless service platform. All procurement decisions are, therefore, made on a centralized basis at Sprint's national headquarters in Overland Park, Kansas; however, procurement decisions are not made on a state-by-state basis. Sprint believes focus on Supplier Diversity is important in all states. Total spending and subcontracting for the State of California has been identified for all suppliers that Sprint's records show are located or certified in California. However, we request the Commission keep in mind that, although Sprint may have procured products and services from California suppliers, this does not necessarily mean that the procurement was solely utilized in or for the benefit of Sprint operations in California. Likewise, merely because procurement occurred in other states does not necessarily mean that such procurement was not undertaken for the benefit of Sprint's operations in California. Sprint has reported such information as completely as its records and subcontracting reports currently permit.

9.1.3 ITEMIZATION OF WMVBE and DIVERSITY INCLUSION PROGRAM EXPENSES

| Sprint Corporation Calendar Year 2014 | Expense Description | G.O. 156 Sec 9.1.3 | | | | |
|---------------------------------------|----------------------------------|--------------------|--|--|--|--|
| | | | | | | |
| Sponsorships | Diverse Sponsorships | \$212,025 | | | | |
| Memberships, Dues & | | | | | | |
| Subscriptions | Membership Expense | \$93,195 | | | | |
| Wages | Three Supplier Diversity | \$327,507 | | | | |
| | employees | Ψ327,307 | | | | |
| Other Employee | | | | | | |
| Expenses | Travel, Mileage, and meals | \$34,168 | | | | |
| CPUC Clearinghouse | Sprint's share of overall | \$36,084 | | | | |
| | allocated costs | | | | | |
| Contributions | Publications, Television, Events | \$30,325 | | | | |
| Trade Shows | Trade Shows | \$11,016 | | | | |
| | TOTAL 2014 | \$744,320 | | | | |

9.1.4 DESCRIPTION OF PROGRESS IN MEETING OR EXCEEDING SET GOALS

Sprint has set nationwide, corporate Supplier Diversity goals. These goals were set from a corporate-wide perspective and encompass percentage goal for overall diverse spending, including the following categories:

- Minority Business Enterprise (MBE)
 - o Asian
 - o Black
 - Hispanic
 - o Indian-subcontinent
 - Native American
- Service-disabled Veteran Owned
- Veteran-Owned
- Women-Owned (WBE)
- Small Business Enterprise (SBE)
- Small Disadvantaged Businesses
- HUBZone
- Section 8 (a)

The Supplier Diversity team utilizes various methods to reach goals. These include, but are not limited to developing corporate training and programs, recruiting, proactive action to include diverse suppliers in the Request for Proposal (RFP) process with Sourcing and Sales. Additionally, discussion opportunities with Diversity Champions and senior management are on-going.

9.1.5 SUMMARY OF PRIME CONTRARACTOR UTILIZATION OF WMDVBE SUBCONTRACTORS

Sprint places emphasis on extending the diversity efforts and outreach activities related to subcontracting utilizing Sprint's Tier II Program. Through the implementation of the program, the Supplier Diversity team works in conjunction with Sprint Legal to maintain current language for Supplier Diversity to be incorporated in prime contracts valued in excess of \$650,000. This language includes a percentage goal, subcontracting plan, and quarterly reports for the supplier to submit to Sprint. With the additional focus of the Sourcing Manager to ensure the language is included in contracts, the amount of Tier II spend increases. The Supplier Diversity team continues to contact prime suppliers to ensure their compliance with standard Supplier Diversity contractual language as well as their efforts for providing opportunities for diverse suppliers in their procurement activities.

Sprint Supplier Diversity implemented a quarterly on-line collection of certified CPUC spend from its prime vendors that supports Sprint's annual CPUC filing.

9.1.6 WMDVBE SUPPLIER COMPLAINTS

Sprint has a policy for resolving supplier complaints in addition to the requirements of General Order 156. In 2014 there were no formal CPUC complaints filed against Sprint.

9.1.7 SUMMARY OF PURCHASES/CONTRACTS FOR PRODUCTS/SERVICES IN EXCLUDED CATEGORIES

The CPUC issued Decision 05-11-024 on November 13, 2005, in which it eliminated the use of exclusions in reporting diversity procurement results; however, for reporting consistency across the organization, Sprint has aligned this report with Sprint's annual government and other customer reports that excludes non-procurement activities such as lawsuits, garnishments, taxes, licenses and utilities. Sprint has not purposely used any procurement spend exclusions in providing this report.

9.1.8 DESCRIPTION OF EFFORTS TO RECRUIT WMDVBE SUPPLIERS

Sprint continues its commitment to recruiting and developing WMDVBE talent in traditional and non-traditional areas. Sprint continues to evaluate areas of opportunity within our Supply Chain Management and implement strategies to address these issues. The Supplier Diversity team continues to work with Sourcing Managers and staff, contract, key Business Unit Diversity Champions and the Sales team to identify procurement opportunities corporatewide to align to potential or existing diverse suppliers.

Sprint's Supplier Diversity team continues to create avenues for WMDVBEs to have access to key decision-makers within various business units. Through procurement briefings, networking receptions, and one-on-one meetings, WMDVBE suppliers have an opportunity to visit with Sprint leadership and Supply Chain Management staff to discuss the procurement process, as well as key sourcing opportunities for the coming year.

Sprint continues to search for qualified sources through attendance at trade fairs, use of the Public Utilities Commission, WBENC, SAM.Gov, NMSDC, and numerous local databases, referrals, service and product information, letters of recommendation, lunch and learn business networking sessions, as well as spotlight luncheons, featuring WMDVBEs showcasing their offerings and capabilities.

Through strategic outreach and new reporting tools, Sprint's Supplier Diversity team is able to focus on diverse spending strategies with our largest prime suppliers and on forecasted spending to realign opportunities with diverse suppliers where possible.

9.1.9 JUSTIFICATION FOR CONTINUED EXISTENCE OF ANY "EXCLUDED CATEGORY"

Sprint has not excluded any procurement related exclusions in this report.

9.1.10 FUEL PROCUREMENT

Sprint operates a small Sales fleet of 303 (down from 317 in 2013) vehicles in the state of CA. Sprint does not operate or use a centralized fueling station. Sprint vehicles are located across the state and fuel is purchased on an on-demand basis at local stations.

10.1.1 SHORT, MID, LONG-TERM GOALS

Sprint remains committed to utilizing established Supplier Diversity best practices in working to achieve WMDVBE goals. Sprint relies on the guidance contained in the California Public Utilities Commission General Order 156 to establish its Supplier Diversity Goals; Sprint remains committed to GO 156 by creating processes to work toward meeting GO 156 goals. In late 2014, Sprint activated a Lesbian, Gay, Bi-sexual and Transgender (LGBT) diversity flag in its registration tool to ensure spend with suppliers can be properly captured.

10.1.2 DESCRIPTION OF WMDVBE PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

Sprint will continue to monitor its performance of the Supplier Diversity Program. Sprint will continue to make improvements, work toward generating additional diverse spending, capitalize on opportunities, and measure quarterly performance. Sprint plans to implement the following strategies in support of improvement and of its diversity goals for 2015:

1. INTERNAL PROGRAM ACTIVITIES

EMPLOYEE EDUCATION

Employee education is an ongoing effort for Sprint. It is important that employees understand, not only the benefits of Supplier Diversity, but also the detriments of not having a program in place. Sprint offers web based diversity training that is available to employees. Sprint will continue to promote the program, during quarterly diverse results updates, and encourage managers to require it of their staff.

Sprint will continue face to face meetings with business units (BU) to promote BU awareness of supplier diversity. Regularly published scorecards will be used to track goals and performance, and guide discussions for areas of opportunities, risks and improvements.

In correlation with its travel schedule, the Supplier Diversity team will continue to make presentations regarding diversity for Sprint Business Units. Regional employees participate in face-to-face and conference calls to ensure they gain the exposure to Supplier Diversity that is present at Sprint's headquarters.

WMDVBE SUPPLIER VERIFICATION/CERTIFICATION

Sprint will continue efforts to review its supply base to identify California diverse suppliers and contact those suppliers requesting they apply for CPUC certification and educating them on the benefits of obtaining CPUC certification.

Sprint will continue to require certification of all diverse businesses. Sprint has taken steps to update the current database of approved suppliers and monitors it closely. Sprint has procured the services of a major supplier, CVM, to research supplier databases and provide diversity information. This process provides the most current supplier information that may have changed in status or whose entry into the procurement system pre-dates the Sprint's Supplier Diversity tool. Sprint will continue its efforts to ensure all data is as accurate as possible. Sprint maintains CPUC and other diverse certifications on file in electronic form.

PUBLICATIONS

The Supplier Diversity Program will continue to publish articles on the internal Sprint web site and via email. Quarterly and Annual Reports on Supplier Diversity will be provided to all employees as a guide to evaluate additional opportunities for diverse suppliers.

Procurement Reward Recognitions will continue to be published and shared with the entire organization, highlighting individuals who execute contracts with CPUC and diverse suppliers.

Sprint will continue to create new incentives and ways for employees to be able to contribute to the supplier diversity success of the company and publish articles on "How To", training programs throughout the Sprint organization.

EMPLOYEE RECOGNITION

Since Sprint launched the Supplier Diversity Procurement Reward Program in mid-2013, Sprint's diverse spend results have increased by approximately 30%. The program challenges Buyers and Sourcing Managers to identify creative ways to negotiate, with their internal clients, to procure products/services from diverse suppliers.

Supplier Diversity recognizes Sprint associates, across the enterprise, for their champion efforts, through Sprint i-Recognize Certificates and Sprint Excellence Award programs, some of which are monetary awards while others may result in trips and other opportunities to better engage with Sprint executive staff.

2. EXTERNAL PROGRAM ACTIVITIES

MEETINGS, CONFERENCES AND TRADE FAIRS

Sprint plans to continue being engaged with the CPUC, the California Utilities Diversity Council (CUDC) and the Joint Utilities Council, to ensure consistency and continued focus on goals, communication, and outreach efforts, alongside other utilities. Sprint plans to actively continue to participate in several trade fairs and conferences with a goal of developing and promoting its program as well as recruiting diverse innovative suppliers for procurement opportunities.

PRESENTATIONS

Sprint will continue to support organizations by delivering presentations as requested.

PRIME SUPPLIER PARTICIPATION PROGRAM (TIER II)

Supplier Diversity will continue its enforcement of the Program and to monitor, track and report on Sprint's prime suppliers' performance and compliance.

ADVERTISING

Sprint's anticipates corporate-wide advertising plan for 2015 is as follows:

- Black EOE Journal
- Hispanic Business Magazine
- Hispanic Network Magazine
- Professional Woman's Magazine
- United States Hispanic Chamber of Commerce
- DiverityNxt
- Vetrepreneur
- Black Enterprise
- DiversityInc
- Chicago Business Opportunity Fair Brochure
- National Minority Supplier Development Council
- Mountain Plains Minority Business Development Council
- Women's Business Enterprise National Council
- Career Focus Magazine
- United States Asian American Chamber of Commerce
- Think Bigger (small business journal)

PUBLICATIONS

Sprint's Supplier Diversity team will continue to partner with Sprint Marketing and Corporate Responsibility to seek opportunities to publish articles in publications that highlight program initiatives.

DEVELOPMENT

Sprint will continue to assist diverse and majority suppliers to achieve success within their companies by providing subject matter expert (SME) support as required. Sprint plans to continue internal Supplier Diversity discussions with internal clients and host procurement matchmakers with key Supply Chain individuals, diverse suppliers and major corporations. The Supplier Diversity team strives to increase awareness between the diverse and majority suppliers and Sprint employees.

Sprint teams with the Technology Industry Group (TIG), consisting of 40+ national majority technology companies, to analyze best practices in order to develop a world-class program.

Sprint will continue to work closely with diversity-related councils and associations to gather assistance in recruitment and education for Sprint as well as understand and support the needs of those organizations.

10.1.3 PLANS FOR RECRUITING WMDVBE SUPPLIERS WHERE WMDVBE UTILIZATION HAS BEEN LOW

Sprint will continue its commitment to recruiting and developing WMDVBE talent in traditional, non-traditional, and low utilization areas. Sprint will continue to evaluate low utilization areas in our Supply Chain Management and implement strategies to address these issues. The Supplier Diversity team will continue to work with Sourcing Managers and key Business Units to identify corporate-wide procurement opportunities and align them to potential or existing diverse suppliers in low utilization areas.

- Continue researching CPUC suppliers for Request for Proposal (RFP) opportunities
- Use a Spend Diagnostics tool, to deploy a number of strategic sourcing strategies around key categories which are shown to offer significant opportunity for California diverse suppliers
- Encourage and promote CPUC Value Added Reseller (VAR) opportunities with major Original Equipment Manufacturers (OEMs)
- Deploy an unbundle-buy approach to purchasing on very large aggregated projects where there is a reasonable opportunity to procure services from diverse suppliers
- Continuously monitor the supplier base to ensure CPUC suppliers used by Sprint maintain current certifications
- Mentor and coach existing CPUC suppliers to increase spend opportunities
- Interview existing and new CPUC suppliers to determine best fit to provide services
- Sponsor/participate in California trade fairs and conferences
- Research internal requirements in preparation of searching of CPUC suppliers at trade fairs
- Provide list of databases such as The Supplierclearinghouse, SAM.gov, NSMDC, WBENC, and Dunn and Bradstreet to internal champions to support search of qualified CPUC suppliers
- Sprint's Supplier Diversity team continue coordinating onsite introductions of diverse suppliers to Sprint management and to Sprint's three major equipment suppliers, Alcatel-Lucent, Ericsson and Samsung, for subcontracting opportunities with Sprint's network modernization project, Network Vision (NV)

- Supplier Diversity initiated creation of a sales job aid to ensure Sales staff evaluate and incorporate, where possible, CPUC supplier participation throughout the proposal process
- Sprint's Supplier Diversity team with support of VP of Procurement and Real Estate sponsors introductions and site visits of diverse suppliers with Sprint executives to increase knowledge of the supply base and allow for possible mentoring opportunities
- Proactively teaming with the Sales & Distribution groups to identify diverse subcontracting opportunities to meet diversity spend goals embedded in Sales contracts
- Engaging Sourcing Managers and business unit staff to brainstorm inclusion of diverse suppliers into existing and future major projects and contracts

Sprint modified its policy language to allow diverse suppliers to be awarded business, even when they are slightly more expensive, if all other factors are equal.

10.1.4 PLANS FOR RECRUITING WMDVBE IN ANY "EXCLUDE CATEGORY"

Sprint targets diverse suppliers pursuant to available opportunities within Sprint business units or as contracts near end of term. Sprint has not proposed any "excluded" procurement spend categories in this report.

10.1.5 PLANS FOR PRIME CONTRACTORS AND GRANTEES OF WMDVBE SUBCONTRACTING

Sprint plans to continue undertaking the following activities in 2015 to encourage prime suppliers to increase subcontracting opportunities for WMDVBEs:

Sprint Supplier Diversity will continue to review areas of opportunity to unbundle portions for subcontracting purposes. Supplier Diversity will continue to work with the OEMs to identify such areas of opportunity for subcontracting within and outside of the OEMs. Sprint will continue to work with the three OEMs (Alcatel-Lucent, Ericsson and Samsung) for further opportunities to unbundle portions of the Network Vision project to target diverse supplier subcontracting.

Sprint Supplier Diversity will work closely with the outsourced facilities management company, CB Richard Ellis, to find opportunities to unbundle portions of the retail store construction services for subcontracting opportunities for diverse suppliers.

Continue to target the top key prime suppliers to encourage them to adhere to their contract-specific subcontracting opportunities. Facilitate expanded outreach activities to prime suppliers and encourage them to complete the quarterly CPUC Tier II diverse spending reports. The recent purchase of more robust reporting tools will better position Sprint to gain access to lower-level data that will allow Sprint to have greater prime supplier participation in the Supplier Diversity Program.

Sprint has created contract-specific goals for suppliers to utilize diverse subcontractors which will remain part of contracts. Sprint has also expanded its second tier contract and RFQ language which requires suppliers receiving in excess of \$650,000 in revenues from Sprint to do business with WMDVBEs. Sprint will continue to promote both Tier I and Tier II opportunities for WMDVBEs.

Sprint will continue to expand the network of internal Supplier Diversity Advocates. These advocates will serve as communicators and messengers to our prime suppliers. Advocates will share the value of Supplier Diversity subcontracting utilization and its impact on the success of the Supplier Diversity Program.

Sprint will work closely with Sprint employees to encourage continued commitment, participation, and support of the corporate Supplier Diversity subcontracting program.

Sprint will continue to provide training to employees with a focus on assisting them to understand the impact of Supplier Diversity and the responsibility of prime suppliers doing business with Sprint to comply with Sprint's Diversity Utilization Requirements.

10.1.6 PLANS FOR COMPLYING WITH WMDVBE PROGRAM GUIDELINES

Sprint will continue to strive to meet the goals and guidelines as established in General Order 156.

Sprint will identify WMDVBEs who can meet Sprint's special purchasing needs as a high tech telecommunications provider. The Supplier Diversity staff and Strategic Sourcing teams will work with key business owners and units, participate in outreach events, and advertise in trade magazines and special interest group publications.

Sprint will continue to attend trade fairs and advertise in WMDVBE publications, and provide sponsorships of various outreach activities as approved by management.

- Participate and fund capacity building programs
- Continue researching diverse suppliers for Request for Proposal (RFP) opportunities
- Use Spend diagnostics tool to deploy a number of strategic sourcing strategies around key categories which are shown to offer significant opportunity for diverse suppliers
- Encourage diverse Value Added Resellers (VARs) opportunities with major Original Equipment Manufacturers (OEMs)
- Deploy an unbundle-buy approach to purchasing on very large aggregated projects where there is a reasonable opportunity to procure services from diverse suppliers
- Continue to interview existing and new diverse suppliers to determine best fit and alignment
- Sponsor diverse business matchmaking-events and facilitate introductions throughout the Sprint organization
- Research internal requirements and opportunities in preparation of attending business opportunity fairs
- Continue to educate the Sales team through on-going training of supplier diversity through the sales job aid to ensure sales staff evaluate and incorporate diverse supplier participation throughout the proposal process
- Continue to raise awareness of supplier diversity through the Supplier Diversity Training course offered online to all Sprint employees
- Continue to advance the Sprint Mentorship Program and expand the base over time

Sprint will continue to encourage those non-CPUC certified diverse suppliers, currently doing business with Sprint, to complete the California certification process.

Sprint will continue to require its prime suppliers to utilize WMDVBEs and require that they provide Sprint with quarterly reports outlining their WMDVBE spending. Sprint will continue to evaluate prime supplier results quarterly and assist, if necessary, them in developing strategies to meet their goals.

Sprint will conduct a review of spending in the State of California with the goal of identifying opportunities for diverse suppliers and the Sprint BU responsible for the purchasing opportunity. Supplier Diversity will then work with these individuals to encourage increased competition with the identified commodities with diverse suppliers.

Sprint will provide support to Sprint's employee base with procurement responsibility by facilitating training on Supplier Diversity Program goals and procedures, encouraging them to use WMDVBEs and assisting them in locating those suppliers that meet their needs.

The Supplier Diversity department has Diversity Utilization Goals included in contracts that are signed with suppliers. The department enforces the contractual requirement ensuring increased participation in the supplier diversity initiative continues.

ATTACHMENT 1

California WMDVBE Annual Procurement and Subcontracting Results by Ethnicity

| Sprint Corporation | G.O. 156 Section 9.1.2 | | | | | | | | | | |
|---|-------------------------|------------|-------------|------------|---------------|-----------------|-------------|----------------------|--|--|--|
| California WMDVBE Annual Results | by Diverse Category | | | | | | | | | | |
| Total State of California Procuren | nent Subcontracting and | Corp | orate WMDV | BES | pend | | | | | | |
| CPUC Certified Spend | | | | | | | | | | | |
| | | | Direct | | Subcontracted | | TOTAL | % of Sprint CA Spend | | | |
| Minority Men | Asian Pacific American | \$ | 35,742,230 | \$ | 18,758,097 | \$ | 54,500,328 | 4.0% | | | |
| | African American | \$ | 104,488,627 | \$ | 181,884,271 | 4 | 286,372,898 | 20.9% | | | |
| | Hispanic American | \$ | 126,216,293 | \$ | , , | | 140,449,381 | 10.3% | | | |
| | Native American | \$ | - | \$ | 1,082,633 | \$ | 1,082,633 | 0.1% | | | |
| | Minority-Other | \$ | - | | | \$ | - | 0.0% | | | |
| | Total Minority Men | \$ | 266,447,150 | \$ | 215,958,090 | \$ | 482,405,240 | 35.3% | | | |
| Minority Women | Asian Pacific American | \$ | 34,653,365 | | | \$ | 34,653,365 | 2.5% | | | |
| | African American | \$ | 26,072,616 | | | \$ | 26,072,616 | 1.9% | | | |
| | Hispanic American | \$ | 6,590,594 | | | \$ | 6,590,594 | 0.5% | | | |
| | Native American | \$ | - | | | \$ | - | 0.0% | | | |
| | Minority-Other | \$ | - | | | \$ | - | 0.0% | | | |
| | Total Minority Women | \$ | 67,316,576 | \$ | 1,119,410 | \$ | 67,316,576 | 4.9% | | | |
| Minority Business Enterprise (MB | E) | \$ 3 | 33,763,726 | \$ 2 | 17,077,500 | \$ 5 | 550,841,226 | 40.3% | | | |
| Women Business Enterprise (WBE | E) | \$ | 51,328,539 | \$ | 79,096,908 | \$ | 130,425,447 | 9.5% | | | |
| Minority Woman Business Enterp | rise (MWBE) | \$ 3 | 885,092,265 | \$ 2 | 96,174,408 | \$ 6 | 681,266,673 | 49.8% | | | |
| Service Disable Veteran Business | \$ | 2,502,262 | \$ | 336,136 | \$ | 2,838,398 | 0.2% | | | | |
| Total WMDVBE | \$ 3 | 87,594,527 | \$ 2 | 96,510,545 | \$ 6 | 684,105,071 | 50.0% | | | | |
| Total Procurement Spend (Califor | nia) | | | | | \$1,367,425,853 | | | | | |
| Total Revenue from California | | | | | | | | | | | |

ATTACHMENT 2

California WMDVBE Annual Results by Category

| Sprint | Sprint Corporation | | | | | | | | | | | | | | G.O. 156 | Section 9.1.2 |
|-----------|--|------------------------|--------------|---------------|--------------|---------------|--|------|--------|------|--------|--------------------|--------------------|---------------------|----------------|---------------|
| 2014 Cali | 014 California WMDVBE Annual Results by SIC Category | | | | | | | | | | | | | | | |
| | Total State of California Corporate Spend by Category | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| | | Asian Pacific American | | | | | Pacific American African American Hispanic American Native American Other Minority | | | | | | | | | |
| SIC Code | SIC Description | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female | Total MBE Spend | Total WBE Spend | Total MWBE Spend | Total SDVBE | Total |
| | Oil and gas extraction | \$0 | \$0 | \$0 | \$0 | \$3,182,013 | | \$0 | \$0 | \$0 | \$0 | \$3,182,013 | \$0 | +-,, | \$0 | \$3,182,013 |
| 15 | Building Costreto - General Contractors & Operative Builders | \$0 | \$0 | \$0 | \$0 | \$137,935 | | \$0 | \$0 | \$0 | \$0 | \$6,070,136 | \$0 | | \$0 | \$6,070,136 |
| 16 | Heavy Costreto, Except Building Construction - Contractors | \$0 | \$0 | \$295,941 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$295,941 | \$4,401,588 | | \$0 | \$4,697,529 |
| 17 | Construction - Special Trade Contractors | \$0 | \$0 | \$0 | \$0 | \$52,657,812 | | | \$0 | \$0 | \$0 | \$52,657,812 | | | \$9,514 | |
| 21 | Tobacco Products | \$0 | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$0 | \$0 | \$0 | \$248,943 | | \$0 | \$248,943 |
| 25 | Furniture and Fixtures | \$0 | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$2,058 |
| 26 | Paper and Allied Products | \$0 | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$0 | \$0 | \$0 | \$0 | | \$2,460,413 | \$2,460,413 |
| 27 | Printing, Publishing and Allied Industries | \$8,761,052 | \$0 | \$0 | \$1,601,234 | \$0 | | | | \$0 | \$0 | \$10,362,286 | \$0 | | \$0 | \$10,362,286 |
| 36 | Electronic, Elctrcl Eqpmnt & Cmpnts, Excpt Computer Eqpms | | | \$0 | \$0 | \$0 | | | \$0 | \$0 | \$0 | \$2,618,618 | \$373,581 | \$2,992,198 | \$0 | \$2,992,198 |
| 48 | Communications | \$66,643 | \$410,871 | \$0 | \$0 | \$3,358,072 | \$0 | | \$0 | \$0 | \$0 | \$3,835,586 | \$0 | | \$0 | \$3,835,586 |
| 49 | Electric, Gas, And Sanitary Services | \$0 | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$0 | \$0 | \$0 | \$821,038 | | \$0 | \$821,038 |
| 50 | Wholesale Trade - Durable Goods | \$8,263,916 | \$32,973,313 | \$76,102,262 | \$23,233,404 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$140,572,895 | \$2,796,085 | \$143,368,980 | \$0 | \$143,368,980 |
| 51 | Wholesale Trade - Nondurable Goods | \$0 | \$0 | \$0 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$326,742 | | \$0 | \$326,742 |
| 61 | Nondepository Credit Institutions | \$0 | \$0 | \$8,414,755 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$8,414,755 | | | \$0 | \$8,414,755 |
| 65 | Real Estate | \$0 | \$0 | \$0 | \$0 | \$0 | | | \$0 | \$0 | \$0 | \$0 | \$2,527,349 | | \$0 | \$2,527,349 |
| 73 | Business Services | \$14,707,434 | \$0 | \$29,929 | \$1,237,978 | \$63,489,156 | \$494,713 | | \$0 | \$0 | \$0 | \$79,959,209 | \$28,156,523 | \$108,115,732 | \$0 | \$108,115,732 |
| 75 | Automotive Repair, Services and Parking | \$0 | \$0 | \$0 | \$0 | \$23,650 | | \$0 | \$0 | \$0 | \$0 | \$23,650 | \$0 | | \$0 | \$23,650 |
| 76 | Miscellaneous Repair Services | \$57,000 | \$0 | \$0 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$57,000 | \$2,113,927 | \$2,170,927 | \$0 | \$2,170,927 |
| 81 | Legal Services | \$0 | \$0 | \$50,768 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$50,768 | \$0 | | \$0 | \$50,768 |
| 87 | Engineering, Accounting, Research, Management & Related Sv | \$1,267,569 | \$486,795 | \$19,594,972 | \$0 | \$3,367,655 | \$163,680 | \$0 | \$0 | \$0 | \$0 | \$24,880,671 | \$7,222,526 | \$32,103,197 | \$32,335 | \$32,135,532 |
| 91 | Executive, Legislative & General Government, Except Finance | \$0 | \$782,386 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$782,386 | \$0 | \$782,386 | \$0 | \$782,386 |
| TOTALS | | \$35,742,230 | \$34,653,365 | \$104,488,627 | \$26,072,616 | \$126,216,293 | \$6,590,594 | \$0 | \$0 | \$0 | \$0 | \$333,763,726 | \$51,328,539 | \$385,092,265 | \$2,502,262 | \$387,594,527 |

ATTACHMENT 3

Greenlining Report

| GREENLINING REPORT | | | | | | | | | | | | |
|--------------------|---------------------------|---|-----|------|-------------|--------------|-------|-----|------|-------------|--|--|
| | Data on Number of Vendors | | | | | | | | | | | |
| | | Revenue Reported to CHS Utility-Specific 2014 Summary | | | | | | | | | | |
| | | | | | | Minority- | | | | | | |
| # MWDVBEs | Minority-Men | Minority-Women | WBE | DVBE | Grand Total | Minority-Men | Women | WBE | DVBE | Grand Total | | |
| Under \$1 million | 3 | 3 | 4 | 1 | 11 | 19 | 11 | 22 | 2 | 54 | | |
| Under \$5 million | 8 | 2 | 8 | 2 | 20 | 10 | 1 | 9 | 1 | 21 | | |
| Under \$10 million | 9 | 2 | 7 | 0 | 18 | 3 | 1 | 1 | 0 | 5 | | |
| Above \$10 million | 16 | 8 | 14 | 0 | 38 | 4 | 2 | 1 | 0 | 7 | | |
| Total | 36 | 15 | 33 | 3 | 87 | 36 | 15 | 33 | 3 | 87 | | |

| | | Rev | enue Reported to C | Utility-Specific 2014 Summary | | | | | | |
|--------------------|-----------------|-----------------|--------------------|-------------------------------|-----------------|---------------|--------------|--------------|-------------|---------------|
| | | | | | | | Minority- | | | |
| MWDVBE \$M | Minority-Men | Minority-Women | WBE | DVBE | Grand Total | Minority-Men | Women | WBE | DVBE | Grand Total |
| Under \$1 million | \$609,000 | \$817,288 | \$486,054 | \$0 | \$1,912,342 | \$4,303,210 | \$3,576,423 | \$5,424,464 | \$41,849 | \$13,345,946 |
| Under \$5 million | \$18,868,896 | \$4,051,518 | \$17,172,273 | \$5,700,000 | \$45,792,687 | \$27,265,541 | \$1,601,234 | \$22,676,162 | \$2,460,413 | \$54,003,351 |
| Under \$10 million | \$67,416,564 | \$12,739,377 | \$55,573,725 | \$0 | \$135,729,666 | \$25,439,722 | \$5,932,201 | \$5,848,632 | \$0 | \$37,220,555 |
| Above \$10 million | \$2,530,622,773 | \$3,513,042,227 | \$709,525,384 | \$0 | \$6,753,190,384 | \$209,438,678 | \$56,206,717 | \$17,379,280 | \$0 | \$283,024,675 |
| Total | \$2,617,517,233 | \$3,530,650,410 | \$782,757,436 | \$5,700,000 | \$6,936,625,079 | \$266,447,150 | \$67,316,576 | \$51,328,539 | \$2,502,262 | \$387,594,527 |