

**PROCUREMENT ACTIVITIES
WITH
DIVERSE SUPPLIERS**

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

WMDVLGBTBE ANNUAL REPORT AND PLAN

3/1/2016

**2015 ANNUAL REPORT & PLAN TO THE CALIFORNIA PUBLIC
UTILITIES COMMISSION**

GENERAL ORDER 156



2015 CALENDAR YEAR:

SPRINT CORPORATION

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

**Sprint Corporation
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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, with California certified minority, women and service disabled veteran supplier’s relationship, for the period of January 1, 2015 through December 31, 2015.

ABOUT SPRINT

Sprint (NYSE: S) is a communications services company that creates more and better ways to connect its customers to the things they care about most. Sprint served more than 58.4 million connections as of December 31, 2015, and is widely recognized for developing, engineering and deploying innovative technologies, including the first wireless 4G service from a national carrier in the United States; leading no-contract brands including Virgin Mobile USA, Boost Mobile, and Assurance Wireless; instant national and international push-to-talk capabilities; and a global Tier 1 Internet backbone. Sprint has been named to the Dow Jones Sustainability Index (DJSI) North America for the past five years. You can learn more and visit Sprint at www.sprint.com or www.facebook.com/sprint and www.twitter.com/sprint.

On August 6, 2014, Sprint Corporation announced that its Board of Directors named Marcelo Claire as the company’s President and Chief Executive Officer, effective August 11, 2014. As President and CEO, Claire’s first priority will be to continue the build out of Sprint’s network by leveraging its strong spectrum holdings as well as ensuring that Sprint always maintains truly competitive offers in the marketplace.

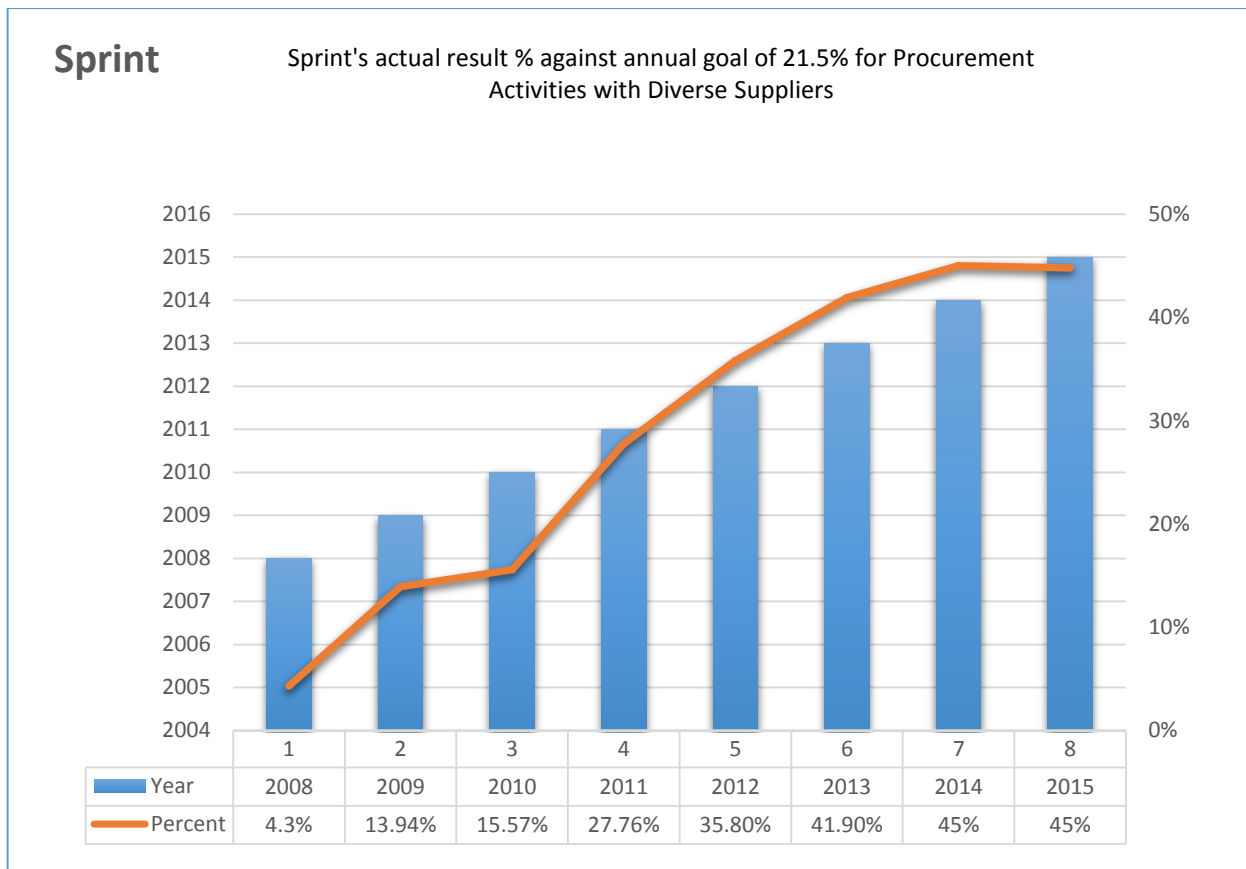
Sprint is an active member of the California Joint Utilities Diversity Council (JUDC), which includes utility, energy, telecommunications and cable company members. As such, Sprint participates with the other Joint Utility members to share best practices and discuss regulatory initiatives and the CPUC Clearinghouse processes.

In 2015, Sprint remained a 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 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 received an “A” rating for its 2014 report from the Greenlining Institute, a consumer protection agency that grades California’s energy, telecommunications and cable companies based on subcontracting opportunities awarded to diverse businesses. Additionally, the report revealed that since 2008 Sprint has moved from last to first place, among 25 Utilities, in its supplier diversity results in the state of California. In 2015, Sprint achieved 30.8% in first-tier CPUC subcontracting and 44.5% in combined Tier I and Tier II CPUC subcontracting.

Sprint Supplier Diversity continues to focus on General Order 156 targets of 15% minority; 5% women and 1.5% disabled veteran subcontracting, along with good faith LGBT efforts. The below graph demonstrates Sprint’s year-over-year commitment and progress:



In 2015, Sprint modified its corporate supplier plan and initiative to include LGBT classification. Our proactive initiatives included identifying and searching LGBT suppliers for inclusion of RFx activities. Sprint hosted two on-site business networking events to include LGBT suppliers. Sprint added the LGBT category in its Tier I and Tier II tracking and reporting tools. Sprint participated in a local LGBT business networking forum, learning about potential suppliers for Tier I and Tier II opportunities. Sprint continues to identify and introduce LGBT suppliers, both internally and externally. Initial results for these efforts have yielded Sprint spend totaling \$2,074,690.77 with a certified LGBT vendor that provides IT products and configuration and installation services, related to Sprint's mid to large-range servers at data centers. Sprint continues to focus on growing this initiative in 2016.

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, by 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 small, diverse and CPUC certified suppliers. These mutually beneficial relationships contribute to the economic success of both Sprint and our diverse suppliers.

THE SPRINT COMMITMENT

Sprint is committed to the growth and success of our Supplier Diversity initiatives and continues to explore and increase opportunities with a range of small and diverse businesses. Sprint actively seeks additional opportunities to meet with suppliers and to increase external outreach activities. As a utility member in the state of California, Sprint is committed to meeting the GO 156 goal of 21.5%.

CHIEF PROCUREMENT OFFICER ORGANIZATION

Sprint's procurement goals are based upon projected procurement dollars available for small and diverse business participation as well as past procurement history.

Major purchases made by Sprint are researched, negotiated and monitored by the Procurement organization headquartered in Overland Park, Kansas, in partnership with the Business Unit requiring the product or service. The Supplier Diversity program is housed under the Procurement organization to ensure that small and diverse businesses are considered during the procurement process.

Suppliers are required to register with Sprint and attach their certifications at www.Sprint.com/supplierregistration. Supplier Diversity and the entire Procurement Department have access to Sprint's electronic database that houses small and diverse supplier information and certifications, including CPUC certifications, that allows for tracking and sourcing opportunities from initiation to completion. During the analysis phase of preparing a Request for Proposals (RFP), the Sourcing team, with support of Supplier Diversity, develops a list of suppliers that are qualified to fulfill the opportunity. The Supplier Diversity team queries the database to create a list of eligible small and CPUC certified businesses to include in the opportunity.

9.1.1 DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

Sprint is committed to promoting the overall participation of women, minority, disabled veteran-owned, and lesbian gay bisexual transgender business enterprises (WMDVLGBTBE) 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 2015 to increase the utilization of WMDVLGBTBEs.

SUPPLIER DIVERSITY PROGRAM

Sprint continues 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, monitor and publication of score cards against objectives and vendor database maintenance. Programs include Business Unit Champions, teaming with Sales for subcontracting opportunities, incentive reward programs, sponsorships, hosting 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:

INTERNAL PROGRAM ACTIVITIES

CAPACITY BUILDING:

To achieve best prices and delivery possible in its procurement, Sprint employs an e-purchasing tool in effecting a portion of its purchases. The procurement and tracking system assists buyers to source and utilize CPUC suppliers. This procurement process allows Sprint to offer its customers, including the California market, competitive prices in the sale of products/services. In 2015, Sprint continued to promote and grow this program throughout the company by:

- Encourage more suppliers to become CPUC certified
- 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
- 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
- Increasing our efforts to locate and procure more services/products from CPUC and businesses by continuing to include these business classifications in as many Request for Proposal (RFP) opportunities as possible
- Participate in face-to-face matchmaking sessions and relationship building, on a local, regional and national level, to help suppliers navigate the process to become a qualified supplier
- Support small and diverse businesses through scholarship opportunities
- Expanding awareness of the program to all major Sprint Business Units
- Aggressively recruit suppliers, by holding onsite supplier demonstrations, that have the skillsets and best total value solution

PROCUREMENT QUARTERLY TRACKING:

The Supplier Diversity manager releases quarterly diverse spend results to Sourcing managers and major Business Unit executives in order to evaluate existing purchases with large businesses that can be realigned with a small and diverse business upon contract termination.

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 reducing cost for Sprint. In 2015, Sprint further expanded the MBE's scope of work to include retail locations contributing to the supplier's growth.

FINANCIAL INSTITUTIONS:

In 2015, Sprint continued its bond-debt buy through a CPUC certified minority owned firm, in an effort to continue its commitment to increase diverse spend in the financial sector.

DEBT COLLECTION/CALL CENTER SERVICES:

In an effort to increase CPUC spend with debt collection and call center services, Sprint continued to advocate and ensure that as call centers are replenished, that CPUC suppliers are engaged.

ENVELOPES:

As Sprint continues to move toward a digitized and paperless environment, Sprint IT continues to subcontract envelope services to a CA-SDVBE supplier which supports meeting GO 156 goals.

SPRINT'S NETWORK MODERNIZATION INITIATIVE:

With Sprint's focus to improve our Network throughout the U.S., Supplier Diversity partnered with the Network business unit to continue 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 2015, Sprint spent over \$47,260,805 on this project with CPUC certified 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, year over year. Sprint continues to procure additional services from this minority woman-owned supplier, totaling \$665,315.14.

INFORMATION TECHNOLOGY SERVICES:

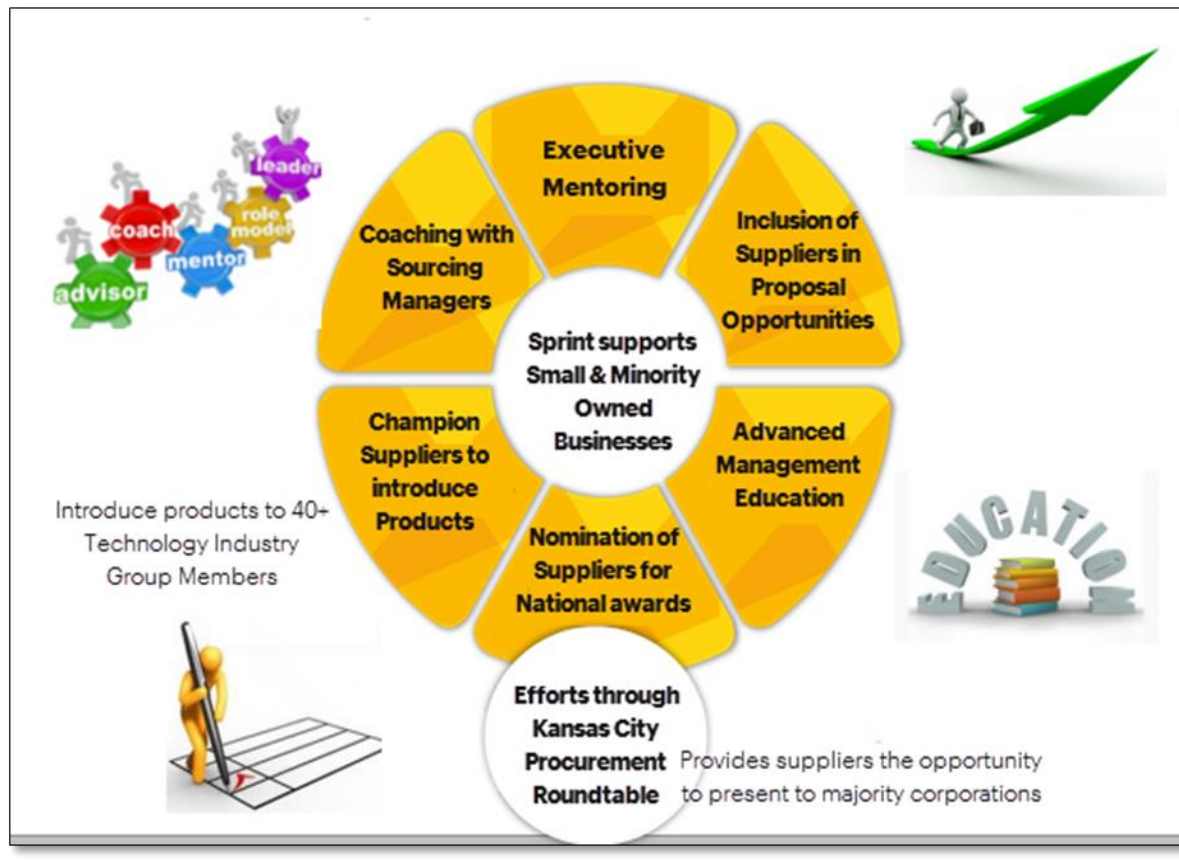
As a result of an initiative focused on growing our portfolio to include small diverse suppliers within the IT category, Sprint began a trial phase with two diverse suppliers, shifting spend from large VARs (Value Add Resellers) to small CPUC certified diverse suppliers. In 2015, Sprint's efforts resulted in a shift of \$21.8 million+ from large VARs to small CPUC diverse suppliers.

PROCUREMENT REWARD PROGRAM:

This program was implemented 2 years ago and continues to be successful in terms of increasing diverse spend. Sprint Supplier Diversity continues to recognize staff through its Procurement Reward Program. The Program challenges Buyers and Sourcing Managers to identify creative ways to negotiate, with their internal clients, to procure more products/services from small and diverse businesses. Based on diverse contract value, awards range from cash values of \$125.00 - \$500.00. This Program continues to motivate staff to remain focused on increasing Sprint's spend with small and diverse suppliers. Creative negotiation strategies include, but are not limited to:



SUPPLIER DEVELOPMENT:



Supplier Diversity Supports Development of small and diverse suppliers in a variety of ways:

- Collaborate with Sprint Sourcing Managers in coaching diverse suppliers for successful bids in future RFPs and RFIs.
- Champion diverse suppliers in providing introduction opportunities internal and external.
- Recognize and nominate deserving diverse suppliers for increased exposure and growth opportunities.
- Support financial scholarships for diverse suppliers to attend advanced business management programs.
- Ensure a procurement process with inclusion of one or more diverse suppliers, and incorporate into the e-sourcing tool.
- Collaborate with various external advocacy groups to share best practices and advance supplier diversity opportunities such as with Technology Industry Group (TIG), the California Joint Utilities Diversity Council, KC Procurement Roundtable, and many others.
- Provide adequate and timely consideration of diverse suppliers when considering buy decisions in bid opportunities.
- Counsel and discuss subcontracting opportunities with diverse suppliers for potential Tier II opportunities

- Confirm the status of suppliers through the Supplier Clearinghouse to ensure accuracy.
- Continue to develop and promote company and procurement policy statements that demonstrate Sprint's support for supplier diversity.
- Continue to develop and maintain bidders' lists of diverse suppliers from all possible sources.
- Ensure that procurement bids permit the maximum possible participation of diverse suppliers
- Continue to attend and arrange for the attendance of company personnel at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.
- Provide feedback to diverse suppliers regarding subcontracting opportunities and introduce to procurement staff who can guide them regarding how to respond to bids
- Continue to promote and encourage staff regarding the incentive program that supports the supplier diversity program.
- Continue to monitor the company's performance and make any adjustments necessary to achieve the CPUC plan goals.

Sprint's Supplier Diversity, with the support of Sprint's Supply Chain buyers and managers, have the responsibility of assuring that small and diverse suppliers have equitable opportunity to quote by:

- Reviewing requisitions for potential inclusion of minority, women, disabled veteran and LGBT owned businesses as well as other diverse business classifications
- Interviewing sales representatives representing small businesses who call upon Procurement
- Using databases containing information regarding small, small disadvantaged, women-owned small, veteran-owned small and service-disabled veteran-owned small and HUBZone Small Businesses
- Exchanging information on new and potential suppliers across Business Units
- Providing results of diverse businesses procurement activity
- Teaming with Sprint Sales to meet or exceed proposal/contractual diverse business requirements
- Hosting Sprint executive and Small Business principal introductions allowing an opportunity for diverse suppliers to demonstrate their company capabilities
- Challenging and supporting Sprint Business Units to meet specifically assigned annual targets with diverse businesses
- Developing relationships with Municipalities, Councils and other organizations to quickly locate diverse businesses
- Purchase booths at National Tradeshows to advance supply of qualified diverse businesses
- National public speaking by Procurement and Supplier Diversity staff to educate diverse businesses on how to do business with major corporations.

SUBCONTRACTING

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, performing work in California, to obtain CPUC certification. In 2015, over 100 suppliers registering in Sprint's e-sourcing database were sent requests to evaluate whether or not their business should pursue CPUC certification.

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.

Supplier Diversity teamed up with the Sales organization to proactively identify diverse subcontracting opportunities to meet diversity spend goals that are embedded in Sales contracts. In addition, Supplier Diversity initiated creation of a sales job aid to ensure Sales staff evaluate and incorporate, where possible, small and diverse business participation throughout the proposal process. In 2015, Supplier Diversity cohesively partnered with Sales in addressing Request for Proposal opportunities that provided consideration of CPUC certified suppliers.

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 the Procurement Reporting and Compliance group to audit 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 WMDVLGBTBEs, 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 on-line training course to further raise program awareness. Supplier Diversity recommended the course be merged into Sprint's annual iComply course that requires 100% employee participation. Sprint HR agreed to evaluate merging the courses in 2017.

SUPPLY CHAIN TRAINING:

In December of 2015, Supplier Diversity partnered with Sprint Sourcing group in hosting an open house event, for approximately 100 Procurement professionals, whereby professionals who procure goods and services on behalf of Sprint had an opportunity to learn about the

importance of supplier diversity in balancing the many different factors in the sourcing and supplier selection process. Elements such as total cost of ownership, risk, supplier viability, terms and conditions, sustainability, switching cost, and maintenance requirements are a few of the 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 factor in the final selection.

In early 2015, Sprint launched a new e-sourcing tool and Sprint Supplier Diversity was an important stakeholder in ensuring a robust system and information flow, as this system is used for supplier registration, vendor queries and searches, reporting and collection of Tier II subcontracting.

SUSTAINABLE SOURCING:

GHG REDUCTION:

As part of its sustainability goals, Sprint set a ten-year (2007-2017) absolute Scope 1 and Scope 2 GHG reduction target through initiatives such as "Network Vision" (large-scale network modernization program, which reduces Sprint's scope 2 GHG emissions through specially sourced equipment). Additional information in this link:

([http://goodworks.sprint.com/content/1022/files/CR%20IB%20GHG%2010-21-](http://goodworks.sprint.com/content/1022/files/CR%20IB%20GHG%2010-21-2015%20v%203.pdf)

[2015%20v%203.pdf](http://goodworks.sprint.com/content/1022/files/CR%20IB%20GHG%2010-21-2015%20v%203.pdf)) Sprint also uses a collaborative supplier engagement model across its supply chain, which accounts for Sprint's scope 3 GHG emissions. GHG emissions in 2014 were 19.3% less than in 2013. Sprint achieved a 42.99% total reduction from 2007 through 2014, well above our target of 20%. WATER CONSERVATION. 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. In late 2015 we published a water conservation guide for our suppliers, which we will be implemented in 2016. COLLABORATION. Throughout 2015, Sprint continued to participate in thought leadership and collaboration efforts to advance sustainability in our supply chain. Two examples include: 1) Inter-company collaboration, by active involvement in IAOP's (International Association of Outsourcing Professionals) CSR committee. The committee is comprised of CSR experts from notable organizations such as Microsoft, Accenture, Avasant, Sprint, Rockefeller Foundation, Jones Lang LaSalle, CB Richard Ellis and others. Mary Lewis, Sprint's supply chain manager in charge of supplier sustainability, and representative on IAOP's CSR committee, further participated as a judge in IAOP's "GOSRIA" recognition (Global Outsourcing Social Responsibility Index Award). The award provides reputational and monetary recognition to the top company that exemplifies CSR excellence in seven different dimensions associated with social responsibility

(<https://www.iaop.org/content/19/165/3427/default.aspx>) 2) Capacity-building/awareness. Sprint continues to connect with leaders of today and tomorrow through presentations involving our sustainability journey. In February 2015, Mary Lewis was the keynote speaker at

the University of Central Missouri’s “Annual Teach-In on Sustainable Solutions” (<https://www.ucmo.edu/news/teachin2015.cfm?dy=2015>). Lewis discussed how sustainability can drive value in the supply chain and how companies can identify where to focus their resources through the development and use of a materiality assessment.

GREENING SPRINT’S SMALL AND DIVERSE SUPPLIERS:

Sprint’s goal of ensuring that 90% of its procurement spend base 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 businesses. 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, and added the emphasis on companies measuring their water footprint. In addition to the free supplier sustainability booklet, available to the public on our Goodworks website (<https://www.sprint.com/companyinfo/scm/src.html>), Sprint’s two webinars – one on conducting a GHG Emissions Inventory, the other on creating a Materiality Assessment, continues to provide a compelling and free alternative specifically designed to help small and diverse suppliers with their sustainability efforts at a reasonable cost. Sprint continues to help small and diverse suppliers navigate uncertain conditions of business development, particularly targeting potential large customers. As a result, Sprint’s manager for supply chain sustainability, Mary Lewis, published an article in the November, 2015 issue of the Midwest regional magazine Thinking Bigger! directed to helping small businesses sell into large companies (<https://ithinkbigger.com/can-business-win-bigger-customers/>).

MAKING A POSITIVE ENVIRONMENTAL IMPACT THROUGH OUR SUPPLY CHAIN:

One of Sprint’s highest priorities is helping suppliers share in efforts toward sustainability and social consciousness. Our goal is for suppliers to realize the same benefits Sprint has while simultaneously reducing our collective environmental footprint.

We start by setting specific criteria suppliers must meet. Then we assess their progress from year to year. If any are falling short, we work with them to help close the gap. This includes providing free tools, like our online supplier handbook, to help suppliers be more successful in meeting our criteria.

Based on positive feedback from our first supplier handbook, we’re adding another one focused on water conservation that will help suppliers track, report and reduce their own water use. Since more than 99 percent of our total water consumption stems from our supply chain, the positive impact should be huge.

Our unique approach in collaborating with suppliers earned us the EPA's 2014 Climate Leadership Award in the Supply Chain Leadership category. Working hand in hand will help us continually build a supply chain that's as environmentally friendly as it is efficient.

BUILDING STRONG COMMUNITIES

At Sprint, we believe connecting with each other is essential to human happiness. Wireless technology lets people connect like never before in our history. And through corporate responsibility, we strive to connect people and resources for the greater good — and happiness — of human civilization. Sprint believes mobile connectivity is the greatest enabler of progress.

Our approach to enabling connectivity for all includes connecting disadvantaged youth, providing accessible solutions to people with disabilities, and offering affordable wireless phone service to eligible people who couldn't otherwise afford it.

Today, mobile connectivity is not equally accessible and is often times the difference between the haves and the have-nots. According to the Pew Research Center, 37% of U.S. adults and 26% of teens do not have mobile access to the Internet. Unfortunately, the biggest problem is for those who can least afford it - our poor, elderly, less educated or disabled population. This is not acceptable. As a nation, we risk losing their potential contributions and will face the costs of supporting them. We all win if we find effective solutions to connect the disconnected and help them move forward to a better life.

This is extremely important because we now live in an online society. The Internet is an essential tool for education, healthcare, employment, personal development and much more.

For these reasons, Sprint is committed to being a positive force for mobile connectivity in the United States. We recognize digital inclusion as both a civic obligation as well as a corporate opportunity.

CONNECTING DISADVANTAGED YOUTH

We believe the greatest opportunity for impact is connecting the disadvantaged youth. Their ability to succeed in life is significantly reduced if they are unable to access the vast resources available to them online. These kids are our future - our employees, customers, educators, parents and leaders. Sprint has identified several broad and high impact opportunities to help these youth including our support of ConnectED, ConnectHome, and My Brother's Keeper – all of which are Government initiatives aimed at bridging the digital divide.

SPRINT FOUNDATION AND IN-KIND SUPPORT

Sprint believes education is the magic bullet for disadvantaged youth. When you pair education with digital access, you can transform learning, energize communities and inspire new and innovative approaches to solve today's complex challenges. Sprint seeks to identify the best ideas and approaches and then, through a combination of Sprint Foundation and in-kind technology support, increase their odds of success. We have provided more than \$17 million toward K-12 educational programming across the country over the past 10 years. View our [education fact sheet](#) to learn more about our philanthropic support.

CONNECTING PEOPLE WITH DISABILITIES

For those who are blind, visually impaired, Deaf, or otherwise hampered in some physical way to communicate effectively, the challenges are particularly acute. Their physical challenges often pose a massive barrier for achieving their educational goals and securing jobs that allow them to contribute most effectively for our nation. That's why we put so much time and effort into helping meet the connectivity needs of people with disabilities.

Sprint is a market leader in the accessibility space and has been the nation's premier provider of Telecommunications Relay Services (TRS) for the past 25 years. We work closely with suppliers and manufacturers to create accessible technology that connects them to the world — and to the resources that can best help them move forward to a better life. Our accessible solutions empower everyone to connect, including the blind or visually impaired, the Deaf or those with hearing loss, people with speech, cognitive or mobility disabilities, and the aging population. View our [accessibility site](#) for more information.

CONNECTING LOW-INCOME HOUSEHOLDS

For those who are at or below the national poverty line, nothing comes easy. If you lack both mobile voice and data connectivity, you are virtually cut off from the rest of the world. Sprint is a market leader in providing voice and text service to qualifying low-income families in the U.S. through our Assurance Wireless service.

Assurance Wireless, a leading Lifeline Assistance Programs, provides mobile voice and text service to those most in need. At the end of 2014, Assurance Wireless was available in more than 40 states, reaching 92% of Lifeline-eligible households. By providing free basic voice and text service, Sprint helps them find jobs, make medical appointments, arrange childcare, and access the essential resources they need to move forward. Assurance Wireless offers data connectivity options as well, but until the Lifeline Assistance Program includes data connectivity, low-income households will not have the full connectivity capabilities they need to access their dreams.

SPRINT EDUCATIONAL SUPPORT

Over the past ten years, Sprint has donated more than \$17 million to support K-12 education programming across the country. Here are a few recent examples:

UNIVERSITY OF MISSOURI-KANSAS CITY'S 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: The 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.

PARTNERSHIP FOR REGIONAL EDUCATIONAL PREPARATION (PREP): Kansas City: 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.

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.

Through the power of technology, our nation's students can become better students, problem solvers, creative thinkers and future leaders. Sprint proudly supports these educational initiatives:

ConnectED: Sprint joined other leaders in the technology and telecommunications industry in announcing our support of the White House ConnectED initiative, a public and private effort to get technology into classrooms. On Sept. 1, 2014, Sprint began a four-year, \$100 million commitment to provide wireless broadband connectivity for 50,000 low-income K-12 students across the U.S. Sprint also pledged an additional 560,000 devices and up to 3.75 million tablets/Chromebooks.

ConnectHome: In July 2015, President Obama announced ConnectHome, an initiative to expand high speed broadband to more families across the country. While many middle-class U.S. students go home to Internet access, allowing them to do research, write papers, and

communicate digitally with their teachers and other students, many lower-income children go unplugged every afternoon when school ends. This “homework gap” runs the risk of widening the achievement gap, denying hardworking students the benefit of a technology-enriched education. As part of our existing ConnectED commitment, Sprint will work with the Department of Housing and Urban Development (HUD) and the ConnectHome program to make our free wireless broadband Internet access service program available to eligible K-12 students living in public housing.

MY BROTHER’S KEEPER: In 2015, Sprint CEO Marcelo Claure joined the Board of Directors of My Brother’s Keeper (MBK), an independent nonprofit organization aimed at eliminating opportunity and achievement gaps for African American and Hispanic boys and young men of color. Sprint pledged \$2 million and approximately \$3 million of in-kind donations to expand the availability of critical broadband resources for students who need access to a wireless network inside and outside the classroom.

CONNECT CHICAGO CHALLENGE: In 2015, Sprint supported the Connect Chicago Challenge with a \$250,000 grant designed to align citywide digital leadership to coordinate and activate digital access and skills development interventions to enable every Chicagoan to fully participate in a digital society. This program provides digital access to public libraries across the Chicago area for students and area residents to connect to the resources they need to be successful.

KIPP ENDEAVOR ACADEMY: In 2015, Sprint provided a \$50,000 Project Connect grant to the KIPP Endeavor Academy in Kansas City, Missouri. Funding provided 142 Chromebook laptop computers for all of the 7th and 8th grade students. Sprint Mobile Chromebook Classroom sets will be used to integrate blending learning strategies in classrooms thus, decreasing testing time frames and giving students the skills they need to use technology effectively.

KENNEDY HIGH SCHOOL: In 2014, thanks to a \$100,000 Project Connect grant, Sprint provided 65 Dell laptops and Internet connectivity to enable students and their teachers at Kennedy High School in the West Contra Costa Unified School District in Oakland, CA to claim a richer learning experience that spans the digital divide.

TEACH FOR AMERICA: In the past three years, Sprint has provided 31 classrooms with laptops and wireless connectivity through a partnership with Teach for America.

INTERNET SAFETY EDUCATION: Sprint is a longtime advocate of seeing that families and educators have free and easy access to educational resources to keep kids safer online and has donated more than \$7 million to Internet safety initiatives since 2007.

Sprint has partnered with leading child development and educational organizations to develop relevant curriculums, lesson plans and resources for tweens aged 9-14, and their parents, guardians and educators. Our national partners include the Boys and Girls Clubs of America, the National Center for Missing and Exploited Children, and the Family Online Safety Institute. These resources are used in classrooms, libraries, and after school programs across the country and are available for free at 4NetSafety.com.

ConnectED SERVICE TO CALIFORNIA SCHOOLS: In September 2015, Sprint announced the start of four years of free LTE broadband service to enable 300 students at the School of Extended Educational Options in the Pomona, Calif., Unified School District to stay connected at home through Wi-Fi hot spots—part of the company’s ConnectED commitment to provide \$100 million worth of free wireless service for up to 50,000 low-income K-12 students over the next four years.

SPRINT POWERS THE LAPD'S CONNECTED OFFICER PROGRAM

In September of 2015, Los Angeles Mayor Eric Garcetti and Police Department Chief Charlie Beck introduced Sprint as the wireless carrier that built and is deploying the Connected Officer program with the Los Angeles Police Department (LAPD).

The Connected Officer program will help the LAPD in facilitating its “to protect and to serve” mission for each officer. When fully deployed, 7,000 officers can use mobile apps for access to mobile field reporting, resources for the community and real-time data to improve criminal investigations and enhance officer safety.

While any carrier can provide phones and service when requested, a proactive, consultative approach was required to build a solution that met the needs of the LAPD and the community it serves. That’s where Sprint provided support.

SPRINT IS POWERING THE PEOPLE’S OPERATOR

An MVNO started by Jimmy Wales, the founder of Wikipedia, has launched on the Sprint network. Sprint supports many of the top MVNO services, but we’re particularly proud that Sprint Wholesale is powering the U.S. launch of “The People’s Operator.” Jimmy started this one as a way to promote wireless volunteerism – it’s a powerful way to raise money for good causes, all through mobile services. And it’s exciting for Sprint to be a part of the effort.

TPO allows customers to donate 10 percent of their monthly mobile spend to a cause of their choice – at no extra cost to them and without sacrificing good service.

\$1.5 MILLION DONATED TO UNITED WAY

Children starting school ready to learn. Families building a financially stable future. Individuals living in good health and in safe neighborhoods.

United Way helps make these things – and so much more – possible.

Sprint employees, along with the Sprint Foundation, donated more than \$1.5 million to United Ways across the country during the 2015 annual campaign. Sprint teams throughout the country supported these results. Four hundred campaign volunteers gave their time and energy, along with others who supported United Way workplace events, and the employees who told their stories. Our United Way campaign is part of the Sprint Good Works program, which are the actions we take in our everyday business to create positive change in the world. Once again Sprint employees opened their hearts and wallets to those in need and helping our communities move forward.



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.

DIVERSITY AND INCLUSION

Sprint strives for a culture of inclusion that attracts, develops and retains a diverse workforce.

Our employees' unique experiences and backgrounds are essential to meeting and exceeding our company goals. Because we are representative of the diverse markets we serve, we're better at understanding and serving their needs.

Our Employee Resource Groups (ERGs) reflect our commitment to the growth and professional development of all employees. Sprint ERGs are voluntary groups of like-minded employees dedicated to using their collective knowledge and experience to advance themselves, our communities and our company.

ERGs support our core business initiatives by providing cultural expertise and insight into the attitudes and thoughts of our diverse customer base. Examples include writing customer thank-you notes in Spanish, translation support for marketing materials in Spanish and Japanese, and supporting HR recruiting initiatives for military personnel transitioning back into the civilian workplace.

Each ERG is led by a team of employee officers (i.e., president, vice president, operations officer and regional officer). The ERG Officer Program, a two-year development course, provides curriculum, professional development, mentoring and feedback with executive-level sponsors to further develop the officers' leadership skills and increase our company's talent pipeline.

Sprint currently has seven ERGs with approximately 6,000 members nationwide.

ERG CULTURAL RECOGNITION

Workplace culture is driven in large part by the unique values and practices individual employees or groups of employees bring to their work environment. Sprint ERGs recognize and celebrate these differences through relevant cultural events throughout the year. Each ERG provides information about specific cultural events or activities and a lesson about the importance of inclusion in both our professional and personal environments.

Events and activities led by Sprint ERGs include honoring Martin Luther King, Jr., Black History Month, Asian Lunar New Year, Women's Health Month, Women's History Month, Cinco de Mayo, National Coming Out Day, Asian Heritage Month, Juneteenth, Gay Pride Month, Hispanic Heritage Month, Veterans Day, Disability Awareness Month and collecting care packages for troops.



Sprint ERGs

ERG Name	Focus
Diamond Network	African American
Enlace	Hispanic
OASIS	Asian
Pride	Gay, lesbian, bisexual, transgender, queer (GLBTQ)
REAL DEAL	Disability
VETS	Military veteran
WISE	Women

METHODS USED TO IDENTIFY MWDVLGBTBE

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 2016 year anticipates outreach and recruiting events to include, but are not limited to, the following tradeshow (upon Sprint executive approval) along with use of their databases or support:

- Mountain Plains Minority Supplier Development Council
- Chicago Minority Business Development Council
- Asian American Chamber of Commerce of Kansas City
- National Minority Supplier Development Council (NMSDC.org)
- United States Pan Asian American Chamber of Commerce
- Women's Business Enterprise National Council (WBENC.org)
- Disabled Veteran Business Alliance, California - Keeping The Promise
- United States Hispanic Chamber of Commerce
- NaVOBA - National Association of Veteran Business Assoc.
- Technology Industry Group (TIG)
- California Utilities Diversity Council
- California Public Utility Commission Joint Utilities meetings
- California Supplier Clearinghouse: www.thesupplierclearinghouse.com
- Internal Company database
- CVM Solutions Database
- Small Business Administration (SBA) SAM.gov
- City of Chicago
- City of Kansas City, Missouri
- National Gay Lesbian Chamber of Commerce
- Somwba.state.ma/Business Directory: <http://www.somwba.state.ma.us>
- Dynamic Small Business Search: http://dsbs.sbs.gov/dsbs/search/dsp_dsbs.cfm
- Women-Owned Small Business: <http://www.womenbiz.gov>.
- The SBA's HUBZone website: <https://eweb1.sba.gov/hubzone/internet>
- Veteran-Owned Small Businesses: <https://www.vetbiz.gov>

Prior to attending conferences, Supplier Diversity works with Sprint's Procurement team to create a sourcing plan that allows the Supplier Diversity team to proactively seek out small and diverse businesses for existing and upcoming procurement opportunities.

COMMUNICATING RESULTS

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

A detailed breakdown of Sprint diverse spend is tracked and reviewed on a quarterly basis. This reporting is broken down in various ways including large, small, ethnicity, gender, location, certification type (including CPUC), business unit, and several other factors. The Supplier Diversity team communicates the results of these supplier diversity achievements on a quarterly basis to Sprint major Business Unit (BU) executives, BU Diversity Champions and Sourcing staff. The reports are reviewed and recommendations are made, when appropriate, to ensure we meet our corporate goals and objectives that includes the 21.5% CPUC goal.

The Supplier Diversity team publishes individual Business Unit diversity goals and quarterly results against the goals, on Sprint's internal website, along with articles re-enforcing the supplier diversity initiative and its impact on Sprint's bottom line and reminders to take the supplier diversity training course through the Sprint University.

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 and company benefits as recognition.

Sprint associates are also recognized by outside organizations such as the minority supplier development council, for their efforts in growing diverse businesses, which entails public recognition, plaques and recognition in publications.

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. The program continues to grow and is a motivator for associates to continue to look for additional opportunities to increase diverse spend.

Communicating program successes, on a quarterly basis, is important to the Supplier Diversity Program. Sprint's Procurement 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.

Sprint's Supplier Diversity program continues to improve in California. Additionally, hard work and flexibility of the Sprint Business Unit Diversity Champions, staff within Supplier Diversity, Procurement 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/DV/LGBTBE suppliers to pursue and obtain CPUC certification.

INTERNAL PROGRAM IMPROVEMENTS

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 Procurement 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, increased supplier recruitment and improved means of communications.

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 local Women's Business Enterprise Council (MWBE), Small Business Administration (SBA), Technology Industry Group (TIG) and through other sources, on strengthening the Supplier Diversity Program.

WMDVLGBTBE SUPPLIER VERIFICATION/CERTIFICATION

Suppliers wishing to participate in the Supplier Diversity Program must provide proof of certification. This is Sprint's way of ensuring 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 providing proof of certification.

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
- Vetpreneur
- 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 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. There are currently 28 administrative vendors and a 68% 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 may be considered for realignment with a diverse business upon contract termination. 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

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 2015 participation:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Supplier Diversity Program Manager’s conference • CPUC Meetings • Joint Utility Meetings • U. S. Pan Asian American Chamber of Commerce • Women’s Business Enterprise National Council (WBENC) • National US Hispanic Chamber of Commerce Convention • Mountain Plains Minority Supplier Development Council • Mid America MSDC Annual Golf Outing • CPUC Annual Supplier Diversity En Banc • California Disabled Veteran Business Alliance KTP • Chicago Minority Supplier Development Council Trade Fair • Minority Enterprise Development Week • City of Kansas City, MO Government Contracting Forum • Kansas City Hispanic Chamber of Commerce Procurement 1:1 • Kansas City Asian Chamber of Commerce Award Dinner • Black Achiever’s Golf Tournament • TIG – Technology Industry Group Diversity Meeting • Lesbian Gay Bisexual Transgender (LGBT) | <ul style="list-style-type: none"> Chicago California California Maryland Texas Texas Kansas City Kansas California California Chicago Kansas City Kansas City Kansas City Kansas City Kansas City Chicago Kansas City |
|--|--|

ADDITIONAL EXTERNAL OUTREACH

- Sprint’s manager of Supplier Diversity, Joyce Christanio, is a member of the Kansas City Federal Executive Board for Small/Minority Business that is managed by the GSA Office of Small Business Utilization. Every first Tuesday of each month GSA, along with the Kansas City Chamber of Commerce, host a small business breakfast that provides an avenue for local majority corporations to meet and listen to small businesses who are given an opportunity to present their business case. The sessions are titled, “Contacts for Contracts”. The small businesses are provided information regarding how to register their company with major corporations for upcoming Request for Proposal (RFP) opportunities as well as provided an introduction of their businesses to corporate clients. Sprint participates in these sessions.

- February 2015, Sprint was a sponsor of the Thinking Bigger annual dinner and awards gala. Thinking Bigger Media annually recognizes 25 local small businesses with 25 employees or less. Sprint's manager of Supplier Diversity, Joyce Christanio, serves on the Board. Sprint's supplier diversity specialist, Flora Mayer, supported the Thinking Bigger initiative in an outreach effort to obtain sponsorships from other members to support the event, and in nominating deserving small businesses for the awards.
- April 2015, Sprint Supplier Diversity participated in an evening reception hosted by local majority corporation, Kansas City Power & Light (KCPL), to recognize the small and diverse businesses that help make their corporation successful. The CEO of KCPL, Terry Bassham, discussed the importance of diversifying a corporation's supply chain base to include small businesses.
- May 2015, Sprint Supplier Diversity staff and Sprint's former VP of Procurement and Real Estate, Gene Agee, participated in a breakfast hosted by local majority corporation, Burns & McDonnell, to recognize the small and diverse businesses that help make their corporation successful. The breakfast speaker was Dr. Fred McKinney, managing director for Minority Business Enterprise Programs at the Tuck School of Business at Dartmouth College.
- May 2015, Sprint was a sponsor of the Kansas City's Asian Chamber of Commerce annual evening award gala where business leaders were recognized in the categories of: Professional Leader of the Year, Civic Leader of the Year and Entrepreneur Leader of the Year. Sprint's Supplier Diversity team and other Sprint staff attended the event.
- May 2015, Sprint was a sponsor of the Kansas City Metropolitan Community College Diverse and Women-owned Business Enterprise Exposition titled, "Making the Connection." Sprint's manager of Supplier Diversity, Joyce Christanio, served as mistress of ceremony introducing community organizations to present information to small businesses regarding how to grow their businesses. Services such as writing business plans, grant writing, business loans; etc. were discussed. Flora Mayer, Sprint diversity specialist, conducted interviews with suppliers to better understand their service/product offerings.
- June 2015, Sprint was a sponsor of the CelebrAsian conference held in Bethesda, Maryland. Sprint's manager Supplier Diversity, Joyce Christanio, led a session during the procurement roundtable discussions regarding how corporate supplier diversity specialists could improve their spend results with small and minority-owned businesses. A few recommendations were to align small business goals with performance, create programs that motivate corporate buyers to become more engaged in pursuing small businesses, and understand corporation procurement opportunities prior to attending major small business/diverse conferences. Sprint's

- diversity specialist, Flora Mayer, participated and provided feedback in the session titled, "Diversity Reporting- Best Practices".
- July 2015, Sprint was a major sponsor of the National Council of La Raza (NCLR) annual conference held in Kansas City. NCLR represents the largest national Hispanic civil rights and advocacy organization in the United States. Sprint's CEO, Marcelo Claure, spoke regarding diversifying Sprint's management staff to better align with Sprint's customer base.
 - August 2015, Sprint's former Vice President of Procurement, Gene Agee, and Sprint's Supplier Diversity manager, Joyce Christanio, participated in a panel discussion and matchmaking session at the FCC Telecommunications Forum outreach event held in Washington, DC. Attendees consisted of small and diverse businesses, advocacy groups and major corporations. Follow up was provided to the businesses regarding internal Sprint clients who may be interested in procuring their products/services. Sprint received many positive comments in recognition of its participation and information provided regarding Sprint's diversity inclusion outreach.
 - August 2015, Sprint was a sponsor of the City of Kansas City, Missouri Government Contracting and Procurement Forum. Sprint's manager Supplier Diversity, Joyce Christanio, provided the audience an overview of Sprint's Supplier Diversity Program. Sprint's Supplier Diversity team, Joyce Christanio and Flora Mayer, managed one-on-one interview sessions, and a Sprint booth, providing small businesses an opportunity to explain how their products and services may support Sprint. The small businesses were also provided information regarding how to register their company with Sprint.
 - September 2015, Sprint's President and CEO, Marcelo Claure, participated in the United States Hispanic Chamber of Commerce (USHCC) CEO panel held in Houston, Texas. The USHCC's goal is to develop and seek out opportunities for major corporations to support Small Businesses. Sprint's customer base is made up of small and diverse businesses; therefore, Sprint understands that our supply base should complement our customer base. Sprint's Supplier Diversity team, Joyce Christanio and Flora Mayer, managed one-one-one sessions with small and diverse businesses during the conference.
 - September 2015, Sprint's Supplier Diversity manager, Joyce Christanio, presented Sprint's Supplier Diversity Program to a Sprint team named "Masterminds" to further raise awareness across the Sprint organization regarding the importance of supporting diverse businesses.
 - September 2015, Sprint was a sponsor of the Asian American Chamber of Commerce of Kansas City's annual golf tournament. The tournament is a networking opportunity for diverse businesses and corporate members to learn more regarding how to partner on existing and future contract opportunities.

- October 2015, the Mountain Plains Minority Supplier Development Council recognized Sprint's manager of IT, Devere Meyer, as Advocate of the Year, during their awards luncheon at their Business Opportunity Exchange Conference, for his efforts in advocating for opportunities with small and minority owned businesses.
- October 2015, Joyce Christiano, Sprint manager Supplier Diversity, served as moderator at the Mountain Plains Minority Supplier Development Council's Business Opportunity Exchange Conference, interviewing executives from major utility corporations, Maria Jenks, VP of Procurement, with Kansas City Power & Light (KCPL) and Byron Witherspoon, director of Supplier Diversity, with Ameren regarding their corporate view of including diverse businesses into their supply chain. The session addressing, "Transcending Supplier Diversity from Good Faith to Intentional Acts" was attended by diverse business owners and corporate procurement and supplier diversity staff.
- October 2015, Sprint as a sponsor of the National and the Midwest Women's Business Enterprise Council participated in a community announcement breakfast where Esther George, President and CEO of the Federal Reserve Bank of Kansas City, welcomed the newly established Midwest Women's Business Enterprise Council (MWBE) to Kansas City. The MWBE was established to lead the success of women owned businesses.
- 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.
- 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 in 2014. And in 2015, Sprint continued its support for growth and development with existing and new businesses. They were very appreciative that Sprint provided the networking opportunity.
- 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:

CEO Marcelo Claure has joined the Board of Directors of My Brother's Keeper (MBK Alliance), an independent nonprofit organization aimed at eliminating opportunity and achievement gaps for African American and Hispanic boys and young men of color.

Former Vice-President Procurement and Real Estate, Gene Agee, served 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.

Supplier Diversity Specialist, Flora Mayer, serves as the Secretary for The Technology Industry Group (TIG); Active member of the California Joint Utilities Diversity Council.

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)
- National Veteran Owned Business Association

REGIONAL AFFILIATIONS

- California Utilities Diversity Council
- California Disabled Veterans’ Business Alliance
- Chicago 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
- Mid America Gay and Lesbian Chamber of Commerce
- 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
- Black Achievers Society – Kansas City

2015 AWARDS AND RECOGNITIONS

Sprint Corporation:

Sprint received the following corporate awards/recognition in 2015 for its Inclusion and Diversity efforts:

Sprint honored with the Corporation of the Year Award by the **Latin Business Association (LBA) in California**, at its annual awards gala in October, 2015.

Sprint named one of the Top Workplaces in Orange County. **The Orange County Register** ranked Sprint at number 14 in the large workplace category.

April 2015, Sprint was recognized by the **Black Enterprise** as one of the 30 Top Companies for Supplier Diversity. The recognition spotlights companies that have demonstrated best practices through their diverse representation within their supply chain.

September 2015, the **United States Hispanic Chamber of Commerce** (USHCC) named Sprint as a member of the USHCC Million Dollar Club, for the sixth year. The USHCC Million Dollar Club recognizes corporations that are leaders in Small Business development and stand out for integrating Hispanic Business Enterprises (HBEs) into their strategic sourcing and procurement process.

Diversity MBA Magazine named Sprint to the 50 Best Companies for Diversity and Inclusion for 2015. 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.

April 2015, Sprint's manager Supplier Diversity, Joyce Christiano, was recognized by **MBN Magazines** as a 2015 MBN USA Champion. The recognition honors those demonstrating an unwavering commitment to supplier diversity.

For the 10th year, **G.I. Jobs** magazine named Sprint Top 50 Military-Friendly Employer.

Sprint was named to **The Civic 50**, an annual survey of America's most community-minded companies. The Civic 50 is an initiative of Points of Light, in partnership with Bloomberg LP, and recognizes companies for their commitment to improving the quality of life in the communities where they do business. Sprint received this award for employee engagement efforts, community giving and educational campaigns on important social topics such as distracted driving and Internet safety.

Top Places to Work in Atlanta for fourth consecutive year Atlanta Journal-Constitution (March 2015)

Named to **Chief Executive Magazine's** Best Companies for Leaders list for third consecutive year (January. 2015)

In 2015, Sprint recognized as one of the “Best Companies to Work For” in Kansas City by **Ingram’s magazine**.

Sprint named one of the top workplaces in the Washington, D.C. metro area by **The Washington Post** in 2015.

July 2015, New Mexico leaders presented Sprint Rio Rancho with the **Employer Support of the Guard and Reserve Patriotic Award** at a ceremony at the New Mexico National Guard Armory, praising Sprint’s veteran hiring and its VETS Employee Resource Group.

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.”

EMPLOYEE DIVERSITY AND INCLUSION AWARDS

Marcelo Claure, CEO, named to an esteemed list of the most outstanding, creative and talented Hispanics in technology by CNET en Español, for the second consecutive year.

Mike Ellis, National Director for Sprint Relay, received the White House Champion of Change for Disability Advocacy across Generations Award on July 27 at a ceremony at the White House. Ellis played an integral role by offering his executive sponsorship of Sprint’s employee resource group, REAL DEAL, which recognizes and celebrates the contributions of people with disabilities, and taps the collective resources and experience of employees who have a disability.

Gene Agee, former 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, recognized by Minority Business Magazine as a 2015 MBN USA Champion for her unwavering commitment to supplier diversity.

Keanon Swan, Manager Strategic Partner Relationships & Postal Strategy, awarded the 2015 Black Achievers in Business and Industry Award.

PRESENTATIONS

As part of the outreach efforts to diverse suppliers, organizations, and associations, Sprint associates participate in and, when requested, provide presentations at various events. Such events include the following:

- Minority Media and Telecommunications Council: Gene Agee, former Vice President Procurement & Real Estate, participated as panel speaker providing information designed to help diverse suppliers navigate in the telecom industry
- Branding Your Diversity Business Advantage and WBENC Certification: Marvin Motley, Sprint Director of Sourcing, participated as a panel speaker at the 2015 Lyceum, on incorporating diversity into branding and emphasis on W/M/DVBE status
- Thinking Bigger workshop: Mary Lewis, Sprint Sourcing Manager, provided “How Can My Business Win Bigger Customers?” presentation on-line, incorporating expertise from Procurement on tips for making inroads at large companies
- United States Hispanic Chamber of Commerce: Marcelo Claure, Sprint CEO, participated in a CEO panel discussion, attended by diverse suppliers.
- Technology Industry Group Panel
- Sprint Original Equipment Manufacturer (OEM) Sales Forums
- National Minority Supplier Development Council – Forums
- Kansas City Small Business- Procurement Panel
- Local diversity council events

9.1.2 SUMMARY OF WMDVLGBTBE 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; 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 2015	Expense Description	G.O. 156 Sec 9.1.3
Sponsorships	Diverse Sponsorships	\$37,325
Memberships, Dues & Subscriptions	Membership Expense	\$70,190
Wages	Two Supplier Diversity employees and one contractor	\$267,142
Software	Software	\$60,000
Other Employee Expenses	Travel, Mileage, and meals	\$14,377
CPUC Clearinghouse	Sprint's share of overall allocated costs	\$34,377
Contributions	Publications, Television, Events	\$9,975
Trade Shows	Trade Shows	\$9,330
		<u>\$502,716</u>

ADDITIONAL INCLUSION AND DIVERSITY SPONSORSHIPS IN 2015 TOTALING \$275,000.00:

- Human Rights Campaign National Dinner - \$20,000 – (Washington, DC – October 2015)
- NCLR National Conference– \$150,000 (Kansas City – July 2015)
- NCLR Capital Awards - \$5,000 phone loan (Washington, DC – March 2015)
- NUL - \$60,000 (Ft. Lauderdale – July 2015)
- USHCC – Legislative Summit - \$15,000 (Washington, DC – March 2015)
- USHCC – National Conference - \$25,000 (Houston – September 2015)

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)
 - Asian
 - Black
 - Hispanic
 - Indian-subcontinent
 - Native American
- Service-disabled Veteran Owned
- Veteran-Owned
- Women-Owned (WBE)
- Small Business Enterprise (SBE)
- Small Disadvantaged Businesses
- HUBZone
- Section 8 (a)
- Lesbian Gay Bisexual Transgender Business Enterprise (LGBT)

In 2015, Sprint modified its Supply Diversity Plan to include LGBTE; as such, Sprint began efforts to identify and recruit LGBTEs in its supply chain. And, in 2015, Sprint's efforts resulted in a significant spend with a LGBT firm that provides IT products and configuration and installation services, related to Sprint's mid to large-range servers at Sprint's data centers.

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, discussing opportunities with Diversity Champions and senior management are on-going.

9.1.5 SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE 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 \$750,000. This language includes a percentage goal and quarterly reports for the supplier to submit to Sprint.

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.

In 2015, Sprint modified its Tier II diverse spend reporting from its prime suppliers to include the LGBT category.

9.1.6 WMDVLGBTBE SUPPLIER COMPLAINTS

Sprint has a policy for resolving supplier complaints in addition to the requirements of General Order 156. In 2015 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 WMDVLGBTBE SUPPLIERS

Sprint continues its commitment to recruiting and developing WMDVLGBTBE 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 corporate-wide to align to potential or existing diverse suppliers.

Sprint's Supplier Diversity team continues to create avenues for WMDVBLGBTBEs to have access to key decision-makers within various business units. Through procurement briefings, networking receptions, and one-on-one meetings, diverse suppliers have an opportunity to visit with Sprint leadership and Procurement staff to discuss processes, 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, SAM.Gov, and numerous local databases, referrals, service and product information, letters of recommendation, lunch and learn business networking sessions, as well as spotlight luncheons, featuring WMDVLGBTBEs showcasing their offerings and capabilities.

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 341 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, Bisexual and Transgender (LGBT) diversity flag in its registration tool to ensure spend with suppliers can be properly captured. In 2015, Sprint LGBT spend totaled over \$2 million.

In the coming year, our efforts will focus on the following:

- Targeting additional employees at every level to take part in our supplier diversity and corporate responsibility efforts.
- Discovering and nurturing creative ideas for wireless technology that lead to social progress.
- Continuing to educate suppliers on the business of CPUC certification benefits and of corporate responsibility and provide tools that help them meet our supplier criteria.
- Targeting our community support in areas most relevant to our business, customers and employees.
- Identifying new ways we can further reduce our environmental footprint and influence suppliers to do the same.

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 of its diversity goals for 2016:

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. Additionally, one of Sprint's 2017 objectives is to incorporate Supplier Diversity training into the corporate-wide annual iComply training that is mandatory for all employees.

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 presidents and employees will be asked to participate in face-to-face and conference calls to ensure they gain the exposure to Supplier Diversity that is present at Sprint's headquarters.

WMDVLGBTBE 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.

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.

REWARDS RECOGNITION

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

Sprint will continue incentives and processes for employees to contribute to the supplier diversity success of the company and publish articles on results and on training programs throughout the Sprint organization.

EMPLOYEE RECOGNITION

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.

The Supplier Diversity Procurement Reward Program continues to recognize and reward Buyers and Sourcing Managers to identify creative ways to negotiate, with their internal clients, to procure products/services from diverse suppliers.

EXTERNAL PROGRAM ACTIVITIES

MEETINGS, CONFERENCES AND TRADE FAIRS

Sprint plans to continue being engaged with the CPUC and the Joint Utilities, 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. AskReply, as the supplier clearinghouse database manager, will be requested to provide their company's tier II subcontracting results with CPUC suppliers.

ADVERTISING

Sprint's anticipated 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 Procurement 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 30+ national majority technology companies, to evaluate 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 WMDVLGBTBE SUPPLIERS WHERE WMDVBE UTILIZATION HAS BEEN LOW

Sprint will continue its commitment to recruiting and developing WMDVLGBTBE talent in traditional, non-traditional, and low utilization areas. Sprint will continue to evaluate low utilization areas in our Procurement processes and evaluate 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)
- 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, upon executive approval
- Research internal requirements in preparation of searching of CPUC suppliers at trade fairs
- Provide The Supplier Clearinghouse login information 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 prime suppliers
- 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
- Continue to partner with the Sales 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

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 WMDVLGBTBE SUBCONTRACTING

Sprint plans to continue undertaking the following activities in 2016 to encourage prime suppliers to increase subcontracting opportunities for WMDVLGBTBEs:

Sprint Supplier Diversity will continue to review areas of opportunity to unbundle portions for subcontracting purposes. Supplier Diversity will continue to work with the Technology Industry Group (TIG) members to identify opportunities for subcontracting.

Sprint Supplier Diversity will work closely with the outsourced facilities management company, CB Richard Ellis, to find opportunities to subcontract 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 \$750,000 in annual revenues from Sprint to do business with WMDVLGBTBEs. Sprint will continue to promote both Tier I and Tier II opportunities for WMDVLGBTBEs.

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 WMDVLGBTBE PROGRAM GUIDELINES

Sprint will continue to strive to meet the goals and guidelines as established in General Order 156. Funding events must be approved by executive management:

- Identify WMDVLGBTBEs 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 unit owners, participate in outreach events, and advertise in trade magazines and special interest group publications
- Continue to attend trade fairs and advertise in WMDVLGBTBE publications, and provide sponsorships of various outreach activities
- Participate and fund capacity building programs
- Continue researching CPUC suppliers for inclusion in 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)
- Continue to interview existing and new diverse suppliers to determine best opportunity 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
- Sprint will continue to encourage those non-CPUC certified diverse suppliers, currently doing business with Sprint in the state of California, to complete the California certification process.
- Sprint will continue to require its prime suppliers to utilize WMDVLGBTBEs and require that they provide Sprint with quarterly reports. Sprint will continue to evaluate prime supplier results quarterly and assist them, if necessary, 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 business unit responsible for the purchasing opportunity. Supplier Diversity will then work with these individuals to encourage increased competition with the identified commodities with diverse suppliers.

ATTACHMENT 1- G.O.#156 Sec. 9.1.2

Sprint Corporation	2015 Annual Report	G.O.#156 Sec. 9.1.2
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GO 156 Report

WMDVBE ANNUAL RESULTS BY ETHNICITY

		2015				
		Direct	Sub	Total \$	%	
1	Minority Male	Asian Pacific American	\$65,213,585		\$65,213,585	5.0%
2		African American	\$143,464,631		\$143,464,631	10.9%
3		Hispanic American	\$105,032,676		\$105,032,676	8.0%
4		Native American	\$0		\$0	0.0%
5		Other	\$0		\$0	0.0%
6		Total Minority Male	\$313,710,892	\$42,069,064	\$355,779,956	27.0%
7	Minority Female	Asian Pacific American	\$12,984,984		\$12,984,984	1.0%
8		African American	\$22,272,145		\$22,272,145	1.7%
9		Hispanic American	\$8,854,321		\$8,854,321	0.7%
10		Native American	\$5,629,698		\$5,629,698	0.4%
11		Other	\$0		\$0	0.0%
12		Total Minority Female	\$49,741,148	\$16,592,802	\$66,333,951	5.0%
13	Total Minority Business Enterprise (MBE)		\$363,452,040	\$58,661,866	\$422,113,906	32.1%
14	Total Women Business Enterprise (WBE)		\$39,629,897	\$90,845,154	\$130,475,051	9.9%
15	Subtotal Women, Minority Business Enterprise (MWBE)		\$403,081,937	\$149,507,021	\$552,588,958	42.0%
16	Total Service Disabled Veteran Business Enterprise (DVBE)		\$2,058,697	\$30,551,603	\$32,610,300	2.5%
17	Total Other*		\$0	\$0	\$0	0.0%
18	TOTAL WMDVBE		\$405,140,634	\$180,058,623	\$585,199,258	44.5%
17	Net Procurement**		\$ 1,315,785,322.84			

NOTE: *FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVBE
**NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS.

ATTACHMENT 2 - G.O. #156 Sec. 9.1.5

A SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS

Sprint Corporation	2015 Annual Report	G.O. #156 Sec. 9.1.5
A SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS		

	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Business Enterprise (WMBE)	Service Disabled Veterans Business Enterprise (DVBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Other*	TOTAL WMDVLGBTBE
Direct \$	\$313,710,892	\$49,741,148	\$363,452,040	\$39,629,897	\$403,081,937	\$2,058,697			\$405,140,634
Subcontracting \$	\$42,069,064	\$16,592,802	\$58,661,866	\$90,845,154	\$149,507,021	\$30,551,603	\$100,416		\$180,058,623
Total	\$355,779,956	\$66,333,951	\$422,113,906	\$130,475,051	\$552,588,958	\$32,610,300	\$100,416		\$585,199,258
Direct %	23.8%	3.8%	27.6%	3.0%	30.6%	0.2%			30.8%
Subcontracting %	3.2%	1.3%	4.5%	6.9%	11.4%	2.3%			13.7%
Total %	27.0%	5.0%	32.1%	9.9%	42.0%	2.5%			44.5%

Net Procurement	\$ 1,315,785,322.84
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NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVBE

ATTACHMENT 3-GREENLINING REPORT

GREENLINING REPORT										
Data on Number of Vendors										
# MWDVBEs	Revenue Reported to CHS					Utility-Specific 2015 Summary				
	Minority-Men	Minority-Women	WBE	DVBE	Grand Total	Minority-Men	Minority-Women	WBE	DVBE	Grand Total
Under \$1 million	6	0	2	1	9	20	5	21	1	47
Under \$5 million	9	2	5	1	17	8	0	7	1	16
Under \$10 million	6	0	8	0	14	1	2	1	0	4
Above \$10 million	13	7	15	0	35	5	2	1	0	8
Total	34	9	30	2	75	34	9	30	2	75

Data on Revenue of Vendors										
MWDVBE \$M	Revenue Reported to CHS					Utility-Specific 2015 Summary				
	Minority-Men	Minority-Women	WBE	DVBE	Grand Total	Minority-Men	Minority-Women	WBE	DVBE	Grand Total
Under \$1 million	\$1,737,750	\$0	\$486,054	\$400,000	\$2,623,804	\$3,255,953	\$2,227,883	\$4,925,775	\$22,553	\$10,432,164
Under \$5 million	\$21,786,096	\$3,709,069	\$13,786,892	\$4,500,000	\$43,782,057	\$24,368,896	\$0	\$17,680,573	\$2,036,144	\$44,085,613
Under \$10 million	\$42,394,380	\$0	\$51,441,792	\$0	\$93,836,172	\$7,052,975	\$14,390,852	\$6,452,577	\$0	\$27,896,403
Above \$10 million	\$5,416,944,521	\$6,213,016,000	\$1,573,488,563	\$0	\$13,203,449,084	\$279,033,068	\$33,122,414	\$10,570,973	\$0	\$322,726,455
Total	\$5,482,862,747	\$6,216,725,069	\$1,639,203,301	\$4,900,000	\$13,343,691,117	\$313,710,892	\$49,741,148	\$39,629,897	\$2,058,697	\$405,140,634

ATTACHMENT 4- WMDVBE PROCUREMENT BY STANDARD INDUSTRIAL CATEGORIES - DETAIL

Sprint Corporation	G.O. 156 Section 9.1.2
2015 California WMDVBE Annual Results by SIC Category	

Total State of California Corporate Spend by Category

SIC Code	SIC Description	Asian Pacific American		African American		Hispanic American		Native American	Total MBE Spend	Total WBE Spend	Total MWBE Spend	Total SDVBE Spend	Total
		Male	Female	Male	Female	Male	Female	Female					
13	Oil and gas extraction	\$ -	\$ -	\$ -	\$ -	\$ 1,808,285	\$ -	\$ -	\$ 1,808,285	\$ -	\$ 1,808,285	\$ -	\$ 1,808,285
15	Building Cnstrctn - General Contractors & Operative Builders	\$ 113,912	\$ -	\$ -	\$ -	\$ 235,305	\$ 8,761,153	\$ -	\$ 9,110,370	\$ -	\$ 9,110,370	\$ 2,036,144	\$ 11,146,514
16	Heavy Cnstrctn, Except Building Construction - Contractors	\$ -	\$ -	\$ 1,450,396	\$ -	\$ 22,285,959	\$ -	\$ -	\$ 23,736,355	\$ 664,248	\$ 24,400,603	\$ -	\$ 24,400,603
17	Construction - Special Trade Contractors	\$ -	\$ -	\$ -	\$ -	\$ 457,664	\$ -	\$ -	\$ 457,664	\$ 13,670,135	\$ 14,127,800	\$ 22,553	\$ 14,150,353
27	Printing, Publishing and Allied Industries	\$ -	\$ -	\$ 17,213,733	\$ -	\$ -	\$ -	\$ -	\$ 17,213,733	\$ 2,056	\$ 17,215,788	\$ -	\$ 17,215,788
33	Primary Metal Industries	\$ -	\$ -	\$ -	\$ -	\$ 1,400	\$ -	\$ -	\$ 1,400	\$ 1,066,611	\$ 1,068,011	\$ -	\$ 1,068,011
35	Industrial and Commercial Machinery and Computer Equipment	\$ -	\$ 12,033,522	\$ 121,207,743	\$ -	\$ -	\$ -	\$ -	\$ 133,241,265	\$ 3,744,803	\$ 136,986,068	\$ -	\$ 136,986,068
36	Electronic, Elctrcl Eqpmnt & Cmpnts, Excpt Computer Eqpmnt	\$ 44,282,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,629,698	\$ 49,911,963	\$ 6,764,626	\$ 56,676,589	\$ -	\$ 56,676,589
41	Local, Suburban Transit & Interurbn Hgwy Passenger Transport	\$ 17,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,265	\$ -	\$ 17,265	\$ -	\$ 17,265
48	Communications	\$ 1,200	\$ -	\$ -	\$ -	\$ 98,914	\$ -	\$ -	\$ 100,114	\$ -	\$ 100,114	\$ -	\$ 100,114
49	Electric, Gas, And Sanitary Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 653,362	\$ 653,362	\$ -	\$ 653,362
50	Wholesale Trade - Durable Goods	\$ 7,052,975	\$ -	\$ -	\$ 21,088,892	\$ -	\$ -	\$ -	\$ 28,141,867	\$ 532,217	\$ 28,674,084	\$ -	\$ 28,674,084
51	Wholesale Trade - Nondurable Goods	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,090	\$ 68,090	\$ -	\$ 68,090
60	Depository Institutions	\$ -	\$ -	\$ -	\$ 665,315	\$ -	\$ -	\$ -	\$ 665,315	\$ -	\$ 665,315	\$ -	\$ 665,315
65	Real Estate	\$ 113,546	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ 116,046	\$ -	\$ 116,046	\$ -	\$ 116,046
73	Business Services	\$ 9,110,552	\$ 951,462	\$ -	\$ 517,938	\$ 76,511,590	\$ 93,168	\$ -	\$ 87,184,709	\$ 9,676,227	\$ 96,860,937	\$ -	\$ 96,860,937
75	Automotive Repair, Services and Parking	\$ -	\$ -	\$ -	\$ -	\$ 13,245	\$ -	\$ -	\$ 13,245	\$ -	\$ 13,245	\$ -	\$ 13,245
76	Miscellaneous Repair Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,345,834	\$ 1,345,834	\$ -	\$ 1,345,834
81	Legal Services	\$ -	\$ -	\$ 2,508	\$ -	\$ -	\$ -	\$ -	\$ 2,508	\$ -	\$ 2,508	\$ -	\$ 2,508
87	Engineering, Accounting, Research, Management & Related Svcs	\$ 4,521,870	\$ -	\$ 3,590,252	\$ -	\$ 3,617,814	\$ -	\$ -	\$ 11,729,936	\$ 1,441,687	\$ 13,171,623	\$ -	\$ 13,171,623
TOTALS		\$65,213,585	\$12,984,984	\$143,464,631	\$22,272,145	\$105,032,676	\$8,854,321	\$ 5,629,698	\$363,452,040	\$39,629,897	\$403,081,937	\$ 2,058,697	\$405,140,634