

# Joint 2016 Annual Report and 2017 Plan

Women, Minority, Disabled Veteran and Lesbian, Gay, Bisexual and Transgender Business Enterprises (WMDVLGBTBE) Procurement

> General Order 156 Dated: March 1, 2017

# **T**··**Mobile**· **metro**PCS.

T-Mobile West LLC dba T-Mobile (U-3056-C) and MetroPCS California, LLC dba MetroPCS (U-3079-C)



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# Introduction

T-Mobile West LLC, dba T-Mobile and MetroPCS California, LLC, dba MetroPCS (referred to collectively for purposes of this report as "T-Mobile") have prepared the following Joint 2016 Annual Report and 2017 Plan WMDVLGBTBE Procurement Report (the "Report") in an effort to support the Commission's and the Legislature's goals regarding the procurement of Women, Minority, Disabled Veteran, and Lesbian, Gay, Bisexual and Transgender-owned Business Enterprises (WMDVLGBTBEs, or hereinafter referred to as "Diverse Business Enterprises"). As America's Un-carrier, T-Mobile is redefining the way consumers and businesses buy wireless services through leading product and service innovation. Diversity and inclusion are not just words, they are a way of life. As a diverse company serving a diverse customer base, we strive to make our supplier relationships diverse too. We recognize that these partnerships connect us to a more inclusive and diverse business community, which enable us to provide products and services that not only suit our customers' needs, but unleash our possibilities.

As a result, T-Mobile has come a long way with its use of diverse suppliers. Since 2011, T-Mobile's minority spend has increased seven fold from \$69.6 million to \$537.5 million.<sup>1</sup> In the last year alone, our diversity procurement rose from \$460.1 million to \$537.5 million. We are devoted to the concept of creating value through diversity, and are working to continue the momentum as we continue to build our Supplier Diversity Program for 2017 and beyond.



<sup>&</sup>lt;sup>1</sup> The 2011 minority spend total noted above does not include MetroPCS data, if any, for that year. Prior to the merger of their parent companies in 2013, T-Mobile West LLC and MetroPCS California LLC submitted separate GO 156 Reports to the Commission and we currently do not have access to MetroPCS' reported WMDVBE procurement for 2011. However, in light of MetroPCS' reported WMDVBE procurement for 2013 (i.e., approximately \$2.247 million), we do not anticipate that the increase in spend noted above would be materially affected by the 2011 MetroPCS procurement even if that data was available.

# 2016 Annual Report

California Public Utilities Commission General Order 156 ("GO 156") requires that certain companies with gross annual revenues exceeding \$25 million provide information related to their Diverse Business Enterprise procurement activities and their plans to achieve short, medium, and long-term Supplier Diversity Program goals. This information is to be provided to the Commission on March 1st of each calendar year in the form of an Annual Report and Annual Plan as set forth in GO 156. To that end, T-Mobile has prepared the following Joint 2016 Annual Report ("Report") in an effort to support the Commission's and the Legislature's goals in this arena and to facilitate further discussion on the topic of Diverse Business Enterprise procurement. The Report summarizes T-Mobile's Diverse Business Enterprise-related activities for the period from January 1 through December 31, 2016.

# **Overview and Strategic Review (9.1.1)**

T-Mobile's Supplier Diversity Program continued its development and growth in 2016. We continued to execute on the Program's three strategic pillars: Inspire and Motivate Employees; Measure Progress; and Actively Outreach, Engage and Invite Diverse Suppliers. Within those pillars, we focused our efforts on areas we believe are most critical to our efforts to build upon a strong Program foundation and support the scalability required for our overall business growth. The following summary of our strategy reflects both the Diverse Business Enterprise activities in 2016 and how we executed on our Program's three strategic pillars.



# **Inspire and Motivate Employees**

The first strategic pillar of T-Mobile's Program is to inspire and motivate employees to embed Supplier Diversity into their dayto-day roles supporting the business. Supplier Diversity is one aspect of how we make business decisions and is an inherent part our company values (referred to internally as "How We Play"). These principles define who we are and how we go about fulfilling the promise of the company.

# Diversity & Inclusion

T-Mobile is proud to have a team that is as diverse as it is talented, and we believe this is a distinction that helps us break down barriers and rewrite the rules in the wireless industry. Our own diversity helps us more easily relate to our incredibly diverse customers, and nucleas us to always look for users to be



diverse customers, and pushes us to always look for ways to be more inclusive.

The diagram below shows the breakdown of T-Mobile employees by gender and ethnicity:



# WE ARE A DIVERSEEMPLOYER

\*American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander, Two or More Races Source: T-Mobile Human Resources, Sept 2016 EEO-1 Report, Percentages were rounded to the nearest whole number The strength of our diverse team at T-Mobile is key to our ability to reach our diverse subscribers. This diagram below breaks down diversity among our subscribers compared to our competitors' subscribers:



Through our annual Inclusion Day celebrations and six Employee Networks – Access for Disabilities Network, Military Honor & Support Community, Multicultural Network, Multigenerational Network, Pride & Allies Network, Women's Leadership Network – we keep breaking down barriers, creating more understanding, and ensuring a safe and welcoming environment for everyone. During 2016, T-Mobile brought this important work to life at the local level by adding 11 Diversity and Inclusion chapters and thereby increasing the number of chapters to 34 across 22 states. The chapters provide local opportunities to drive inclusion efforts and activities that are the most important and relevant to each area.



# Legal Diversity Task Force

In 2014, T-Mobile created the Legal Diversity Task Force to research best practices, develop strategies and make concrete recommendations to increase diversity within and of the law firms with whom the company works. Since its inception, the Legal Diversity Task Force has focused its efforts on two tiers of growth opportunities: (1) increasing spend with diverse lawyers within majority-owned law firms; and (2) increasing spend with diverse law firms and suppliers.

In 2016, the T-Mobile Legal Department continued its annual diversity survey for the top firms by billing, awarded the T-Mobile Legal Department Diversity Excellence Award to the firm that best exemplified our diversity principles, and evaluated the annual spend with diverse law firms and suppliers. As part of the outreach to diverse law firms in 2016, representatives of the Legal Department attended the National Association of Minority & Women Owned Law Firms (NAMWOLF) annual conference in Houston, Texas and sponsored the gala dinner.

# Measure Progress Transparently, Accurately and Efficiently

The second strategic pillar of T-Mobile's Supplier Diversity Program is to measure progress transparently, accurately and efficiently. We recognize the importance of engaging, managing and tracking diverse suppliers, as well as growing spend with those suppliers. Significant activities accomplished in 2016, in support of these goals, are outlined below:

# Identifying Opportunities

In 2016, T-Mobile's Supplier Diversity Program continued to examine its Diverse Business Enterprise procurement to look for new opportunities to bolster the actions of our procurement teams and the business. As part of that effort, T-Mobile utilized the services of its summer intern to continue work on both a supplier spend classification and an impact analysis. We focused on these two activities to continue our efforts to identify new areas of opportunity and incorporate that detail into the Procurement teams' commodity strategies.

# Supplier Diversity Technology Solution

We made great strides in 2016 by launching the T-Mobile Diverse and Small Supplier Clearinghouse to migrate T-Mobile from the existing flat-file design to a more dynamic thirdparty interface to aid in the identification and tracking of Diverse Business Enterprises. We launched this Clearinghouse in May with training sessions for every sourcing manager at T-Mobile, and have since created a training video and PDF for employees available on our intranet site for self-service or to refresh the training as needed. T-Mobile also created two training videos available via YouTube -- one for suppliers to receive step-by-step instructions for how to register with T-Mobile, and another for prime suppliers on how to report Tier II spend through the platform. The Clearinghouse solution provides increased transparency and efficiency to T-Mobile by allowing Diverse Business Enterprises to upload certifications automatically, thereby significantly reducing the burden of verification. Previously, the Supplier Diversity program manager had to check over 100 databases for federal, state and local qualifying businesses. T-Mobile will continue to use these individual databases for targeted searches, but we are enthusiastic about the scalability inherent in leveraging a "one-stop shop" for these purposes. The Diverse and Small Supplier Clearinghouse also enables better tracking of Diverse Business Enterprises that reach out to and express an interest in doing business with T-Mobile. We continue to schedule calls and meetings with individual Diverse Business Enterprises to help screen their capabilities and applicability to T-Mobile, and are hopeful that the new technology solution will make that process more efficient and more user-friendly for all. More importantly, this registry module has helped category managers better integrate Diverse Business Enterprises into existing procurement processes in a real-time, scalable way. We expect this tool and the transparency it provides us to facilitate our Diverse Business Enterprises spend over time.

# **Actively Outreach, Engage, and Invite Diverse Suppliers**

The third strategic pillar of T-Mobile's Supplier Diversity Program is our external-facing efforts to actively outreach, engage, and invite diverse suppliers. We recognize that maintaining a continuous, solid pipeline of Diverse Business Enterprises requires a proactive approach to strategic sourcing. T-Mobile is committed to finding qualified and capable Diverse Business Enterprises that can help move our business forward. To that end, we achieved the following during 2016:

# Communications

2016 had a number of "firsts" for T-Mobile's Supplier Diversity Program and we are committed to carrying the momentum into 2017 and beyond. While we anticipate that technology solutions will help drive increased Diverse Business Enterprise spend, we recognize that adoption of these solutions is also dependent upon clear and open communications. To that end, in 2016, we launched T-Mobile's first webpage dedicated to supplier diversity on t-mobile.com (www.tmobile.com/supplierdiversity). This website includes our mission, program description, partnerships, supplier diversity overview video, and links to the California Supplier Clearinghouse as well as the Commission's website. As mentioned above, we launched T-Mobile's Diverse and Small Supplier Clearinghouse in May with a webinar for all diverse suppliers led by the Senior Vice President of Procurement & Supply Chain Operations. Additionally, T-Mobile also created two supplier diversity spotlight videos. One features a minority-owned supplier supporting device repair, and the second features a woman and LGBTowned supplier supporting our security services. Finally, T-Mobile rolled out a training module on our internal training site specific to the Supplier Diversity Program and over 100 employees have completed the training, including all sourcing and procurement professionals. In 2016, the program manager also created a supplier diversity intranet website with "subpage" structure to help direct employees to the appropriate information relevant to supplier diversity.

# Partnerships, Conferences and Recruitment Efforts

Recognizing the value of relationships with organizations in the Supplier Diversity space, T-Mobile engaged as a corporate member with the following organizations:

#### California Public Utilities Commission Joint Utilities Committee

As a Joint Utility, T-Mobile participated in the group's quarterly meetings to share best practices and voluntarily hosted the June meeting at our offices in Sacramento. T-Mobile also attended the CPUC's GO-156 En Banc in September where our Vice President participated on the Communications CEO panel for the first time and we were able to interface with diverse suppliers and organizations.

## National Veteran-Owned Businesses Association ("NaVOBA")

T-Mobile met with NaVOBA on a regular basis to discuss efforts to grow verification of disabled veteran owned businesses. T-Mobile advertised in NaVOBA's publication, Vetrepreneur Magazine, with the goal of attracting more DVBEs.

#### National Gay & Lesbian Chamber of Commerce ("NGLCC")

T-Mobile attended the NGLCC national conference in August 2016 for the first time.

## National Minority Supplier Development Council ("NMSDC")

T-Mobile attended the 2016 National Minority Supplier Development Council's conference in Chicago. As a part of our support, we brought six sourcing managers for the full conference and had a 10x20 booth (See Exhibit 1) at the Business Exchange Expo for matchmaking sessions. Our Supplier Diversity program manager completed training on the NMSDC online PRISM system and database of suppliers.

#### Northwest Mountain Minority Supplier Development Council

T-Mobile continued its long-standing relationship with this regional council for work at its headquarters in Bellevue, WA. These activities included occupying a seat on the Board of Directors, sponsoring the Business Conference & Opportunity Fairs, attending and sponsoring the annual scholarship and fundraiser silent auction, and collaborating on T-Mobile-specific Supplier Diversity program optimization and implementation.

#### Women's Business Enterprise National Council ("WBENC")

T-Mobile attended the Women's Business Enterprise National Council (WBENC) Summit & Salute in March 2016 and the national conference in June. Our Supplier Diversity program manager completed training on the WBENC online WBENCLink system and database of suppliers.

Exhibit 1. NMSDC 2016 Conference Booth Photo.



# **Summary of WMDVLGBTBE Purchases/Contracts<sup>2</sup> (9.1.2)**

T-Mobile summaries are included in the following attachments:

- Attachment 1–2016 WMDVLGBTBE Procurement by Ethnicity<sup>3</sup>
- Attachment 2 2016 WMDVLGBTBE Procurement by Product and Services Categories - Direct
- Attachment 3 2016 WMDVLGBTBE Procurement by Product and Services Categories Sub
- Attachment 4 2016 WMDVLGBTBE Detail by SIC
- Attachment 5 2016 WMDVLGBTBE Procurement Summary

<sup>&</sup>lt;sup>2</sup> T-Mobile notes that it does not have information readily available from which it can identify the number of WMDVBEs who have the majority of their workforce working in California.

<sup>&</sup>lt;sup>3</sup> T-Mobile acknowledges that DVBE procurement continues to be a challenge and it is exploring possible avenues to further address those challenges. However, our spend and impact in the State of California would be more accurately reflected if the Clearinghouse's certification criteria allowed for DVBE suppliers that are not CA residents, but provide services in CA (consistent with the certification of other diverse businesses), rather than only certifying DVBEs per the more narrow requirements of the Department of General Services.

| T-Mobile WMDVLGBTBE Program       | Expenses      |
|-----------------------------------|---------------|
| January 1, 2016 – December 31, 20 | )16           |
| Expense Category                  | 2016 Expenses |
| Wages                             | \$186,000     |
| Other Employee Expenses           | \$54,700      |
| Program Expenses                  | \$103,900     |
| Reporting Expenses                | \$101,000     |
| Training & Conferences            | \$144,800     |
| Consultants                       | \$7,700       |
| Other                             | N/A           |
| Total                             | \$598,100     |

# Itemization of WMDVLGBTBE Program Expenses (9.1.3)

# Progress in Meeting or Exceeding Set Goals and Explanation of Circumstances (9.1.4)

T-Mobile's efforts to enhance its diversity procurement practices over the past several years have met with notable success. As demonstrated by the increase in our Net Procurement, T-Mobile is a growing company. We take pride in continuing to grow the amount of Diverse Business Enterprise spend in this Report from last year, rising from \$460.1 million in 2015 to \$537.5 million in 2016. This growth is consistent with the overall strategy involving Diverse Business Enterprise procurement at T-Mobile since we first began to formally track these issues pursuant to the GO 156.

While we celebrate the achievement and all that it means for the diverse business community and economic development, we recognize that there continue to be challenges with sustaining the growth of our diverse procurement.

T-Mobile also believes that purchases of handsets continue to distort procurement rates, as T-Mobile is not aware of any handset provider or manufacturer that qualifies as a Diverse Business Enterprise. Since 2012 the percentage of our procurement as it relates to handsets has increased over 49%, often at a pace faster than our overall spend. In 2016, if original equipment manufacture of handsets spend was not included in our Report, T-Mobile's Diverse Business Enterprise procurement percentage would have been over 31%, which is greater than the longterm goal set in the 2015 Annual Report and more than two times greater than the Diverse Business Enterprise procurement percentage as reported with handset expenditure included.

Even with the inclusion of handset spend, there has been a seven-fold increase in diverse procurement at T-Mobile since 2011. To better ensure the stability and continuity of the Diverse Business Enterprise procurement success to date, the Supplier Diversity Program is engaging in scenario planning with the relevant business units.

# Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors (9.1.5)

In 2016, T-Mobile continued Tier II reporting to its strategic supplier base and otherwise proactively encouraged prime contractors to adopt plans or practices that are consistent with T-Mobile's goals.<sup>4</sup> Prime suppliers are encouraged to report on a quarterly basis the amount of direct and indirect spend with diverse businesses. When applicable, T-Mobile has included prime contractor utilization of Diverse Business Enterprise subcontractors into contract language.

# Required Additional Disclosures (9.1.6 - 9.1.11)

# List of WMDVLGBTBE Complaints

T-Mobile is not aware of any WMDVLGBTBE complaints registered in 2016.

# Summary of Purchases/Contracts for Products/Services in Excluded Categories Not applicable.

# Description of Efforts Made to Recruit WMDVLGBTBE Suppliers

Efforts are detailed in the preceding sections of the Report: "Partnerships, Conferences and Recruitment Efforts" under "Actively Outreach, Engage and Invite Diverse Suppliers" and "Legal Diversity Task Force" under "Inspire and Motivate Employees".

# Justification for Continued Existence of Any "Excluded Category"

Not applicable.

## Summary of WMDVLGBTBE Renewable and Nonrenewable Energy Procurement

T-Mobile's summary is included in Attachment 4 – WMDVLGBTBE 2016 Detail by SIC. This includes the requirement to summarize "WMDVLGBTBE purchases and/or contracts in product and service categories that include renewable and nonrenewable energy, wireless communications, broadband, smart grid, and rail projects" to the extent possible.

# File Verifiable Report on WMDVLGBTBE Participation in Fuel Markets

T-Mobile procures fuel for fleet vehicles used for cell site construction and maintenance. Fuel purchases are included in Attachment 1- 2016 WMDVLGBTBE Procurement by Ethnicity.

<sup>&</sup>lt;sup>4</sup> T-Mobile believes that we are likely underreporting WMDVBE procurement as not all prime suppliers are able to track their spend directly to certified Tier II providers. Nonetheless, T-Mobile continues to work with its suppliers to facilitate their ability to report Tier II spending to the fullest extent possible as outlined in the 2017 Annual Plan. At the same time, T-Mobile encourages the Commission to revisit its reporting and auditing requirements for Tier II spend which seem overly restrictive.

#### T-Mobile West LLC and MetroPCS California, LLC dba T-Mobile WMDVLGBTBE Procurement by Ethnicity – 2016 Annual Report GO 156 Section 9.1.2

# Attachment 1 – 2016 WMDVLGBTBE Procurement by Ethnicity

| Line<br>No. |  |                                   | Direct           | Sub           | Total           | %       |
|-------------|--|-----------------------------------|------------------|---------------|-----------------|---------|
| 1           |  | Asian-Pacific                     | \$348,390,868    | \$20,023,616  | \$368,414,483   | 9.50%   |
| 2           |  | African American                  | \$1,629,514      | \$3,423,905   | \$5,053,419     | 0.13%   |
| 3           | Minovity Mon   | Hispanic                          | \$2,023,849      | \$1,065,185   | \$3,089,034     | 0.08%   |
| 4           | Minority Men   | Native-American                   | \$0              | \$818,876     | \$818,876       | 0.02%   |
| 5           |  | Other                             | \$0              | \$14,622,378  | \$14,622,378    | 0.38%   |
| 6           |  | Total Minority Men                | \$352,044,231    | \$39,953,960  | \$391,998,191   | 10.11%  |
| 7           |  | Asian-Pacific                     | \$12,775,484     | \$0           | \$12,775,484    | 0.33%   |
| 8           |  | African American                  | \$0              | \$0           | \$0             | 0.00%   |
| 9           | Ndia anitra 14/a man   | Hispanic                          | \$1,821,470      | \$0           | \$1,821,470     | 0.05%   |
| 10          | Minority Women   | Native-American                   | \$0              | \$0           | \$0             | 0.00%   |
| 11          |  | Other                             | \$11,628,921     | \$0           | \$11,628,921    | 0.30%   |
| 12          |  | Total Minority Women <sup>1</sup> | \$26,225,875     | \$0           | \$26,225,875    | 0.68%   |
| 13          | Total Minority Business Enterprise (MBE)                       | •                                 | \$378,270,107    | \$39,953,960  | \$418,224,066   | 10.79%  |
| 14          | Women Business Enterprise (WBE)                                |                                   | \$73,057,231     | \$31,231,335  | \$104,288,567   | 2.69%   |
| 15          | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTB | E)                                | \$10,965,873     | \$16,444      | \$10,982,317    | 0.28%   |
| 16          | Disabled Veteran Business Enterprise (DVBE)                    |                                   | \$92,424         | \$3,890,152   | \$3,982,576     | 0.10%   |
| 17          | TOTAL WMDVLGBTBE Procuremer                                    | \$462,385,635                     | \$75,091,891     | \$537,477,526 | 13.86%          |         |
|             |  |                                   |                  |               |                 |         |
| 18          | Net Procurement <sup>3</sup>                                   |                                   | \$ 3,877,768,984 | N/A           | \$3,877,768,984 | 100.00% |

<sup>1</sup>The total procurement for minority women, i.e., \$26.225 million, is included as part of Total Minority Business Enterprises (Line 13). Consistent with Commission direction, total procurement for minority women is not included in Women Business Enterprises (Line 14) although T-Mobile believes that the failure to include that procurement in WBE as well as MBE provides the Commission with an incomplete view of procurement.

<sup>2</sup> WMDVLGBTBE supplier spend is based on total spend with all vendors certificated by the Supplier Clearinghouse and Small Business Administration pursuant to Section 8(a) of Small Business Act as amended (15 U.S.C. 637 (a)), or the Secretary of Commerce pursuant to Section 5 of Executive Order 11625.

<sup>3</sup> T-Mobile's net procurement is based on (a) expenditures with entities classified by T-Mobile's systems as vendors located in California plus (b) any spend with non-California based, Clearinghouse-certificated WMDVLGBTBEs plus (c) the California market pro rata share of T-Mobile's nation-wide spend for wireless handsets and SIM cards. It does not include CA-based spend for cities, counties, taxes, fees, employee reimbursements, rents or equipment rebates.

#### T-Mobile West LLC and MetroPCS California, LLC dba T-Mobile WMDVLGBTBE Procurement by Ethnicity – 2016 Annual Report GO 156 Section 9.1.2

# Attachment 2 – 2016 WMDVLGBTBE Procurement by Product and Services Categories – Direct

| Line |                              |   |        |                 |       |                 |        |                 |        |
|------|------------------------------|---|--------|-----------------|-------|-----------------|--------|-----------------|--------|
| No.  |                              |   |        | Products        |       | Services        | 2      | TOTAL           |        |
| 1    |                              | Asian-Pacific                                 | Direct | \$202,083,871   | 8.12% | \$146,306,997   | 10.52% | \$348,390,868   | 8.98%  |
| 2    |                              | African-American                              | Direct | \$0             | 0.00% | \$1,629,514     | 0.12%  | \$1,629,514     | 0.04%  |
| 3    |                              | Hispanic                                      | Direct | \$104,365       | 0.00% | \$1,919,484     | 0.14%  | \$2,023,849     | 0.05%  |
| 4    |                              | Native-American                               | Direct | \$0             | 0.00% | \$0             | 0.00%  | \$0             | 0.00%  |
| 5    |                              | Other   | Direct | \$0             | 0.00% | \$0             | 0.00%  | \$0             | 0.00%  |
| 6    | Minority Men                 | Total Minority Men                            | Direct | \$202,188,236   | 8.13% | \$149,855,995   | 10.78% | \$352,044,231   | 9.08%  |
| 7    |                              | Asian-Pacific                                 | Direct | \$0             | 0.00% | \$12,775,484    | 0.92%  | \$12,775,484    | 0.33%  |
| 8    |                              | African-American                              | Direct | \$0             | 0.00% | \$0             | 0.00%  | \$0             | 0.00%  |
| 9    |                              | Hispanic                                      | Direct | \$0             | 0.00% | \$1,821,470     | 0.13%  | \$1,821,470     | 0.05%  |
| 10   |                              | Native-American                               | Direct | \$0             | 0.00% | \$0             | 0.00%  | \$0             | 0.00%  |
| 11   |                              | Other   | Direct | \$0             | 0.00% | \$11,628,921    | 0.84%  | \$11,628,921    | 0.30%  |
| 12   | Minority Women               | Total Minority Women <sup>3</sup>             | Direct | \$0             | 0.00% | \$26,225,875    | 1.89%  | \$26,225,875    | 0.68%  |
| 13   | Total Minority Busi          | ness Enterprise (MBE)                         | Direct | \$202,188,236   | 8.13% | \$176,081,871   | 12.67% | \$378,270,107   | 9.75%  |
| 14   | Women Business E             | nterprise (WBE)                               | Direct | \$20,818,299    | 0.84% | \$52,238,933    | 3.76%  | \$73,057,231    | 1.88%  |
| 15   | Lesbian, Gay, Bisex          | ual, Transgender Business Enterprise (LGBTBE) | Direct | \$0             | 0.00% | \$10,965,873    | 0.79%  | \$10,965,873    | 0.28%  |
| 16   | Disabled Veteran B           | usiness Enterprise (DVBE)                     | Direct | \$0             | 0.00% | \$92,424        | 0.01%  | \$92,424        | 0.002% |
| 17   | TOTAL WMDVLGB                | rBE Procurement <sup>4</sup>                  | Direct | \$223,006,535   | 8.96% | \$239,379,100   | 17.22% | \$462,385,635   | 11.92% |
|      |                              |   |        | •               |       |                 |        |                 |        |
| 18   | Net Procurement <sup>5</sup> |   |        | \$2,487,613,471 |       | \$1,390,155,513 |        | \$3,877,768,984 |        |
| 19   | Total Number of W            | MDVLGBTBEs that received direct spend         | 66     |                 |       |                 |        |                 |        |

<sup>1</sup> Products include vendors with primary SIC Category Codes 24, 30, 34, 35, 36, 39, 50.

<sup>2</sup> Services include vendors with primary SIC Category Codes 15, 16, 17, 42, 48, 49, 65, 73, 76, 81, 87, 89, 99.

<sup>3</sup> The total procurement for minority women, i.e., \$26.225 million, is included as part of Total Minority Business Enterprises (Line 13). Consistent with Commission direction, total procurement for minority women is not included in Women Business Enterprises (Line 14) although T-Mobile believes that the failure to include that procurement in WBE as well as MBE provides the Commission with an incomplete view of procurement.

<sup>4</sup> WMDVLGBTBE supplier spend is based on total spend with all vendors certificated by the Supplier Clearinghouse and Small Business Administration pursuant to Section 8(a) of Small Business Act as amended (15 U.S.C. 637 (a)), or the Secretary of Commerce pursuant to Section 5 of Executive Order 11625.

<sup>5</sup> T-Mobile's net procurement is based on (a) expenditures with entities classified by T-Mobile's systems as vendors located in California plus (b) any spend with non-California based, Clearinghouse-certificated WMDVLGBTBEs plus (c) the California market pro rata share of T-Mobile's nation-wide spend for wireless handsets and SIM cards. It does not include CA-based spend for cities, counties, taxes, fees, employee reimbursements, rents or equipment rebates.

# T-Mobile West LLC and MetroPCS California, LLC dba T-Mobile WMDVLGBTBE Procurement by Ethnicity – 2016 Annual Report

#### GO 156 Section 9.1.2

# Attachment 3 – 2016 WMDVLGBTBE Procurement by Product and Services Categories - Sub

| Line<br>No. |                              |   |     | Product         | s <sup>1</sup> | Services        | 2     | TOTAL           |       |
|-------------|------------------------------|---|-----|-----------------|----------------|-----------------|-------|-----------------|-------|
| 1           |                              | Asian-Pacific                                 | Sub | \$249,880       | 0.01%          | \$19,773,735    | 1.42% | \$20,023,616    | 0.52% |
| 2           |                              | African-American                              | Sub | \$2,502,447     | 0.10%          | \$921,457       | 0.07% | \$3,423,905     | 0.09% |
| 3           | Minority Mon                 | Hispanic                                      | Sub | \$285,763       | 0.01%          | \$779,422       | 0.06% | \$1,065,185     | 0.03% |
| 4           | Minority Men                 | Native-American                               | Sub | \$449           | 0.00%          | \$818,427       | 0.06% | \$818,876       | 0.02% |
| 5           |                              | Other   | Sub | \$0             | 0.00%          | \$14,622,378    | 1.05% | \$14,622,378    | 0.38% |
| 6           |                              | Total Minority Men                            | Sub | \$3,038,540     | 0.12%          | \$36,915,420    | 2.66% | \$39,953,960    | 1.03% |
| 7           |                              | Asian-Pacific                                 | Sub | \$0             | 0.00%          | \$0             | 0.00% | \$0             | 0.00% |
| 8           |                              | African-American                              | Sub | \$0             | 0.00%          | \$0             | 0.00% | \$0             | 0.00% |
| 9           |                              | Hispanic                                      | Sub | \$0             | 0.00%          | \$0             | 0.00% | \$0             | 0.00% |
| 10          | Minority Women               | Native-American                               | Sub | \$0             | 0.00%          | \$0             | 0.00% | \$0             | 0.00% |
| 11          |                              | Other   | Sub | \$0             | 0.00%          | \$0             | 0.00% | \$0             | 0.00% |
| 12          |                              | Total Minority Women <sup>3</sup>             | Sub | \$0             | 0.00%          | \$0             | 0.00% | \$0             | 0.00% |
| 13          | Total Minority Busi          | ness Enterprise (MBE)                         | Sub | \$3,038,540     | 0.12%          | \$36,915,420    | 2.66% | \$39,953,960    | 1.03% |
| 14          | Women Business E             | nterprise (WBE)                               | Sub | \$1,662,906     | 0.07%          | \$29,568,430    | 2.13% | \$31,231,335    | 0.81% |
| 15          | Lesbian, Gay, Bisex          | ual, Transgender Business Enterprise (LGBTBE) | Sub | \$0             | 0.00%          | \$16,444        | 0.00% | \$16,444        | 0.00% |
| 16          | Disabled Veteran B           | usiness Enterprise (DVBE)                     | Sub | \$12,708        | 0.00%          | \$3,877,444     | 0.28% | \$3,890,152     | 0.10% |
| 17          | TOTAL WMDVLGB1               | TBE Procurement <sup>4</sup>                  | Sub | \$4,714,153     | 0.19%          | \$70,377,738    | 5.06% | \$75,091,891    | 1.94% |
|             |                              |   |     |                 |                |                 |       |                 |       |
| 18          | Net Procurement <sup>5</sup> |   |     | \$2,487,613,471 |                | \$1,390,155,513 |       | \$3,877,768,984 |       |

<sup>1</sup> Products include vendors with primary SIC Category Codes 24, 30, 34, 35, 36, 39, 50.

<sup>2</sup> Services include vendors with primary SIC Category Codes 15, 16, 17, 42, 48, 49, 65, 73, 76, 81, 87, 89, 99.

<sup>3</sup> The total procurement for minority women, i.e., \$26.225 million, is included as part of Total Minority Business Enterprises (Line 13). Consistent with Commission direction, total procurement for minority women is not included in Women Business Enterprises (Line 14) although T-Mobile believes that the failure to include that procurement in WBE as well as MBE provides the Commission with an incomplete view of procurement.

<sup>4</sup> WMDVLGBTBE supplier spend is based on total spend with all vendors certificated by the Supplier Clearinghouse and Small Business Administration pursuant to Section 8(a) of Small Business Act as amended (15 U.S.C. 637 (a)), or the Secretary of Commerce pursuant to Section 5 of Executive Order 11625.

<sup>5</sup> T-Mobile's net procurement is based on (a) expenditures with entities classified by T-Mobile's systems as vendors located in California plus (b) any spend with non-California based, Clearinghouse-certificated WMDVLGBTBEs plus (c) the California market pro rata share of T-Mobile's nation-wide spend for wireless handsets and SIM cards. It does not include CA-based spend for cities, counties, taxes, fees, employee reimbursements, rents or equipment rebates.

#### T-Mobile West LLC and MetroPCS California, LLC dba T-Mobile WMDVLGBTBE Procurement by Ethnicity – 2016 Annual Report GO 156 Section 9.1.2

# Attachment 4 – 2016 WMDVLGBTBE Detail by SIC

|          |  |                |              |             |         |             |             |          |         |       |              | Minority<br>Business | ₩omen<br>Business | Lesbian, Gay,<br>Bisexual,<br>Transgender<br>Business | Disabled<br>Veterans<br>Business |                         |                 |
|----------|--|----------------|--------------|-------------|---------|-------------|-------------|----------|---------|-------|--------------|----------------------|-------------------|---|----------------------------------|-------------------------|-----------------|
|          |  | Asian P        | acific       | African Am  | nerican | Hisp        | anic        | Native A | merican |       | Other        | Enterprise           | Enterprise        | Enterprise  | Enterprise                       | Total                   |                 |
| SIC Code | SIC Code Description                     | Male           | Female       | Male        | Female  | Male        | Female      | Male     | Female  | Male  | Female       | (MBE)                | (WBE)             | (LGBTBE)  | (DVBE)                           | WMDVLGBTBE <sup>1</sup> | Total Dollars   |
| 15       | Building Cnstrctn - General 🔹            | \$0            | \$0          | \$0         | \$0     | \$190,146   | \$1,249,177 | \$0      | \$0     | \$0   | \$0          | \$1,439,323          | \$2,386,682       | \$0   | \$0                              | \$3,826,005             | \$16,802,948    |
|          | Contractors & Operative Builders 🐰       | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.03%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.04%                | 0.06%             | 0.00%   | 0.00%                            | 0.10%                   | 0.43%           |
| 16       | Heavy Cnstrctn, Except Building 👔        | \$0            | \$0          | \$672,480   | \$0     | \$3,801     | \$0         | \$0      | \$0     | \$0   | \$0          | \$676,281            | \$5,422,120       | \$0   | \$0                              | \$6,098,401             | \$12,076,895    |
|          | Construction - Contractors 🛛 📈           | 0.00%          | 0.00%        | 0.02%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.02%                | 0.14%             | 0.00%   | 0.00%                            | 0.16%                   | 0.31%           |
| 17       | Construction - Special Trade 🔹           | \$0            | \$1,007,205  | \$0         | \$0     | \$63,051    | \$0         | \$0      | \$0     | \$0   | \$0          | \$1,070,255          | \$1,147,877       | \$0   | \$0                              | \$2,218,132             | \$16,908,002    |
|          | Contractors 1/2                          | 0.00%          | 0.03%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.03%                | 0.03%             | 0.00%   | 0.00%                            | 0.06%                   | 0.44%           |
| 24       | Lumber and Wood Products, Except 👔       | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$130,924         | \$0   | \$0                              | \$130,924               | \$130,924       |
|          | Furniture 🛛 🛛                            | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.00%             | 0.00%   | 0.00%                            | 0.003%                  | 0.00%           |
| 30       | Rubber and Miscellaneous Plastic 👔       | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$3,826,635       | \$0   | \$0                              | \$3,826,635             | \$3,826,635     |
|          | Products 1/2                             | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.10%             | 0.00%   | 0.00%                            | 0.10%                   | 0.10%           |
| 34       | Fabricated Metal Prdcts, Except 🔹        | \$0            | \$0          | \$0         | \$0     | \$104,365   | \$0         | \$0      | \$0     | \$0   | \$0          | \$104,365            | \$0               | \$0   | \$0                              | \$104,365               | \$230,040       |
|          | Machinery & Transport Eqpmnt 🐰           | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.00%             | 0.00%   | 0.00%                            | 0.003%                  | 0.01%           |
| 35       | Industrial and Commercial Machinery 👔    | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$15,717,607      | \$0   | \$0                              | \$15,717,607            | \$107,643,039   |
|          | and Computer Equipment 🛛 📈               | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.41%             | 0.00%   | 0.00%                            | 0.41%                   | 2.78%           |
| 36       | Electronic, Elctrol Egpmint & Cmpints, 👔 | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$510,143         | \$0   | \$0                              | \$510,143               | \$38,254,508    |
|          | Excpt Computer Eqpmnt 🛛 📈                | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.01%             | 0.00%   | 0.00%                            | 0.01%                   | 0.99%           |
| 39       | Miscellaneous Manufacturing 👔            | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$313,789         | \$0   | \$0                              | \$313,789               | \$6,100,317     |
|          | Industries 🛛 🛛                           | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.01%             | 0.00%   | 0.00%                            | 0.01%                   | 0.16%           |
| 42       | Motor Freight Transportation             | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$59,688          | \$0   | \$0                              | \$59,688                | \$1,222,147     |
|          | 2  | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.00%             | 0.00%   | 0.00%                            | 0.00%                   | 0.03%           |
| 48       | Communications \$                        | \$4,103,946    | \$0          | \$0         | \$0     | \$86,681    | \$0         | \$0      | \$0     | \$0   | \$0          | \$4,190,627          | \$0               | \$0   | \$0                              | \$4,190,627             | \$59,225,259    |
|          | 2011110110010110                         | 0.11%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.11%                | 0.00%             | 0.00%   | 0.00%                            | 0.11%                   | 1.53%           |
| 49       | Electric, Gas and Sanitary Services      | \$0            | \$0          | \$0         | \$0     | \$0         | \$4,896     | \$0      | \$0     | \$0   | \$0          | \$4,896              | \$0               | \$0   | \$0                              | \$4,896                 | \$5,776,680     |
|          |  | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.00%             | 0.00%   | 0.00%                            | 0.0001%                 | 0.15%           |
| 50       | Wholesale Trade - Durable Goods          | \$202,083,871  | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$202,083,871        | \$319,200         | \$0   | \$0                              | \$202,403,071           | \$1,353,279,832 |
|          | x The could had bailable docas           | 5.21%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 5.21%                | 0.01%             | 0.00%   | 0.00%                            | 5.22%                   | 34.90%          |
| 73       | Business Services                        | \$922,602      | \$9,623,448  | \$0         | \$0     | \$1,214,141 | \$0         | \$0      | \$0     | \$0   | \$11,628,921 | \$23,389,112         | \$41,530,966      | \$10,965,873  | \$0                              | \$75,885,951            | \$616,489,075   |
|          | 200111000 20111000 2                     | 0.02%          | 0.25%        | 0.00%       | 0.00%   | 0.03%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.30%        | 0.60%                | 1.07%             | 0.28%   | 0.00%                            | 1.96%                   | 15.90%          |
| 76       | Miscellaneous Repair Services            | \$124,854,524  | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$124,854,524        | \$334,755         | \$0   | \$0                              | \$125,189,278           | \$128,993,659   |
|          |  | 3.22%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 3.22%                | 0.01%             | 0.00%   | 0.00%                            | 3.23%                   | 3.33%           |
| 81       | Legal Services                           | \$217,832      | \$0          | \$0         | \$0     | \$0         | \$567,396   | \$0      | \$0     | \$0   | \$0          | \$785,228            | \$704,374         | \$0   | \$0                              | \$1,489,602             | \$37,049,998    |
|          |  | 0.01%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.01%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.02%                | 0.02%             | 0.00%   | 0.00%                            | 0.04%                   | 0.96%           |
| 87       | Engineering, Accounting, Research, 👔     | \$16,208,094   | \$192,000    | \$957,034   | \$0     | \$361,664   | \$0         | \$0      | \$0     | \$0   | \$0          | \$17,718,792         | \$139,524         | \$0   | \$0                              | \$17,858,316            | \$208,125,752   |
|          | Management & Related Svcs 🛛 🕫            | 0.42%          | 0.00%        | 0.02%       | 0.00%   | 0.01%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.46%                | 0.00%             | 0.00%   | 0.00%                            | 0.46%                   | 5.37%           |
| 89       | Services. Not Elsewhere Classified       | \$0            | \$1,952,832  | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$1,952,832          | \$512,949         | \$0   | \$0                              | \$2,465,781             | \$15,615,115    |
|          | 2011000;10.2100110/0 010001102 x         | 0.00%          | 0.05%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.05%                | 0.01%             | 0.00%   | 0.00%                            | 0.06%                   | 0.40%           |
| 99       | Nonclassifiable Establishments           | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$0               | \$0   | \$92,424                         | \$92,424                | \$121,990,753   |
| ~~       |  | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.00%             | 0.00%   | 0.00%                            | 0.00%                   | 3.15%           |
|          | Various SIC categories of which there 💲  | \$0            | \$0          | \$0         | \$0     | \$0         | \$0         | \$0      | \$0     | \$0   | \$0          | \$0                  | \$0               | \$0   | \$0                              | \$0                     | \$1,128,027,404 |
|          | is no WMDVLGBTBE Spend 🕺                 | 0.00%          | 0.00%        | 0.00%       | 0.00%   | 0.00%       | 0.00%       | 0.00%    | 0.00%   | 0.00% | 0.00%        | 0.00%                | 0.00%             | 0.00%   | 0.00%                            | 0.00%                   | 29.09%          |
|          | Total \$                                 | \$348,390,868  | \$12,775,484 | \$1,629,514 | \$0     | \$2,023,849 | \$1,821,470 | \$0      | \$0     | \$0   | \$11,628,921 | \$378,270,107        | \$73,057,231      | \$10,965,873  | \$92,424                         | \$462,385,635           | \$3,877,768,98  |
|          | - Total                                  | 8.98%          | 0.33%        | 0.04%       | 0.00%   | 0.05%       | 0.05%       | 0.00%    | 0.00%   | 0.00% | 0.30%        | 9.75%                | 1.88%             | 0.28%   | 0.00%                            | 11.92%                  | 100%            |
|          | Total Product Procurement                | \$ 223.006.535 | 1            |             |         |             |             |          |         |       |              |                      |                   |   |                                  |                         |                 |

| Total Product Procurement | \$ 223,006,535   |
|---------------------------|------------------|
| Total Service Procurement | \$ 239,379,100   |
| Net Procurement           | \$ 3,877,768,984 |

<sup>1</sup>Based on our understanding of the template for this attachment, Total WMDVLGBTBE only includes Direct WMDVLGBTBE spend.

#### T-Mobile West LLC and MetroPCS California, LLC dba T-Mobile WMDVLGBTBE Procurement by Ethnicity – 2016 Annual Report GO 156 Section 9.1.2

# Attachment 5 – 2016 WMDVLGBTBE Procurement Summary

| Line<br>No. |                   | Minority Men   | Minority Female | Minority Business<br>Enterprise (MBE) | Women Business<br>Enterprise (WBE) | Lesbian, Gay,<br>Bisexual,<br>Transgender<br>Business<br>Enterprise<br>(LGBTBE) | Disabled Veteran<br>Business<br>Enterprise (DVBE) | Total<br>WMDVLGBTBE |
|-------------|-------------------|----------------|-----------------|---------------------------------------|------------------------------------|---|---|---------------------|
| 1           | Direct \$         | \$ 352,044,231 | \$ 26,225,875   | \$378,270,107                         | \$ 73,057,231                      | \$10,965,873  | \$ 92,424   | \$ 462,385,635      |
| 2           | Subcontracting \$ | \$ 39,953,960  | \$ -            | \$ 39,953,960                         | \$ 31,231,335                      | \$ 16,444   | \$ 3,890,152                                      | \$ 75,091,891       |
| 3           | Total \$          | \$ 391,998,191 | \$ 26,225,875   | \$418,224,066                         | \$104,288,567                      | \$10,982,317  | \$ 3,982,576                                      | \$ 537,477,526      |

| 4 | Direct %         | 9.08%  | 0.68% | 9.75%  | 1.88% | 0.28% | 0.00% | 11.92% |
|---|------------------|--------|-------|--------|-------|-------|-------|--------|
| 5 | Subcontracting % | 1.03%  | 0.00% | 1.03%  | 0.81% | 0.00% | 0.10% | 1.94%  |
| 6 | Total %          | 10.11% | 0.68% | 10.79% | 2.69% | 0.28% | 0.10% | 13.86% |

7 Net Procurement \$3,877,768,984

# 2017 Annual Plan

T-Mobile has prepared the following Joint 2017 Plan ("Plan"), which is intended to summarize T-Mobile's current plans to achieve its short, medium, and long-term Program goals for increasing utilization of Diverse Business Enterprises. This Plan reflects the strategic efforts in 2017 according to the T-Mobile Supplier Diversity strategic pillars of: Inspire and Motivate Employees; Measure Progress; and Actively Outreach, Engage and Invite Diverse Suppliers.

# **Overview (10.1.2)**

# **Inspire and Motivate Employees**

The first strategic pillar for T-Mobile's Program in 2017 is to inspire and motivate employees to embed Supplier Diversity into their day-to-day efforts of supporting the business. While we continue to maintain a procurement policy that is consistent with, and otherwise promotes the Commission's goals as set forth in GO 156, we strive to ensure Supplier Diversity goes beyond a policy and into practice. These are some of the strategic efforts that we are planning in 2017 to communicate, educate, train and empower



employees to help make Supplier Diversity a part of the everyday course of business.

# Internal Communications

We are investing in providing employees with all the information, training and feedback needed to take action in support of Supplier Diversity. We recognize that internal program promotion is necessary to unleash Supplier Diversity at the individual level. Towards that end, T-Mobile intends to further enhance our intranet site that expands upon the external website content and makes available additional resources for procurement professionals. As we continue to communicate and train our employees, this page will serve as an ongoing resource to find the latest information about our performance and how to get involved. We are also plan to engage more of our procurement experts in various external events so that they can further their knowledge and grow our Program.

# Partnering with Diversity & Inclusion

In 2017, Supplier Diversity intends to further leverage opportunities to integrate and partner with the Diversity & Inclusion team. In addition to matching the branding that the Diversity & Inclusion team uses for communications, Supplier Diversity will more closely partner with that team on developing strategic initiatives, fostering internal accountability and building external relationships. In short, we intend to more purposefully and explicitly connect Supplier Diversity as a key component to diversity and inclusion at T-Mobile.

# Employee Training and Toolkit

The Supplier Diversity team intends to enhance our internal training/mentoring programs relating to Supplier Diversity for sourcing and procurement teams (see "Measure Progress" section below). The training will include the media assets of the Program, such as branded images, as well as a variety of informational videos that are viewable on the T-Mobile Supplier Diversity external website. Additionally, we intend to enhance employee training by including them in several of the diverse supplier advocacy functions, as these offer not only outreach to the supplier base, but also further the development and understanding of why Supplier Diversity is a key component to our business.

# Category-Level Goal Setting

In 2017, T-Mobile also intends to grow our programs that encourage category managers and procurement teams to engage in Diverse Business Enterprise procurement activities and otherwise encourage accountability for these programs at a leadership level.

# Legal Diversity Task Force

In 2017, T-Mobile plans to build on the existing programs that are intended to increase the annual exposure/spend with diverse law firms and suppliers. As illustrated in their 2016 activities, The Legal Department will monitor the progress of these initiatives and then will identify a key supplier of the year and will present them with the Legal Diversity Excellence Award.

# **Measure Progress**

The second strategic pillar for T-Mobile Supplier Diversity in 2017 is to measure progress transparently, accurately and efficiently. We are looking forward to making significant strides as a result of our process improvement efforts for diversity data enhancement and transparency within T-Mobile to better engage, manage, and track Diverse Business Enterprise procurement. This Plan outlines the benefits we expect from our efforts to successfully enhance the T-Mobile Diverse and Small Supplier Clearinghouse, as well as the focus for our 2017 summer intern.

# T-Mobile Diverse and Small Supplier Clearinghouse

T-Mobile intends to enhance the functionality of our Supplier Diversity third-party technology solution. In particular, we plan to focus on aligning the system data with the T-Mobile system of record, follow-up on certification questions, validate Tier II spend and continue to grow the program in a positive fashion. By taking this action we are confident that the reporting capabilities of this service will allow for more granular tracking of Diverse Business Enterprises and spend, as well as transparency to T-Mobile procurement and sourcing professionals. We believe that this will lead to targeted external sourcing activities based upon their individualized category-level strategies.

# Summer Intern

T-Mobile intends to continue its competitive Supplier Diversity internship for the fourth year in a row. That program has provided us with valuable insights and allowed us to further refine and further focus our procurement efforts and expand the success of our Supplier Diversity Program.

# Actively Outreach, Engage, and Invite Diverse Suppliers

The third strategic pillar for T-Mobile Supplier Diversity in 2017 is our external-facing efforts to actively outreach, engage, and invite diverse suppliers to participate in our program. Now that we have an established system and process to track progress and establish relationships, we plan to further our efforts to engage more suppliers through third-party advocacy groups who focus on supplier diversity and then track the value that they bring to T-Mobile. The following reflects some of the key anticipated T-Mobile external activities for 2017.

# Partnerships, Conferences and Recruitment Efforts

In 2017, we intend to continue to work with the following organizations to strengthen our outreach to and engagement with the diverse business community, and plan on attending more Diverse Business Enterprise events. T-Mobile Supplier Diversity intends to host a booth at three of the diverse business conferences with attendance of T-Mobile sourcing professionals, as well as participation from local staff and members of our Diversity & Inclusion team to generate the most visibility for the Program and future opportunities for Diverse Business Enterprises.

# California Public Utilities Commission Joint Utilities Committee

T-Mobile plans to attend more of the quarterly California Public Utilities Commission meetings in-person to share best practices on supplier diversity, meet individually with California-based utilities to learn from their programs and conduct better outreach, as well as understand future regulatory requirements. We have volunteered again to host one of the quarterly meetings at our Sacramento office. Finally, we plan on participating in the En Banc meeting in October 2017.

# National Veteran-Owned Businesses Association ("NaVOBA")

T-Mobile Supplier Diversity intends to continue work on identifying and engaging with DVBEs in partnership with NaVOBA.

# National Gay & Lesbian Chamber of Commerce ("NGLCC")

In 2017, we plan to attend the NGLCC national conference to discover, source and engage with LGBTBEs. We are also working with our Diversity & Inclusion team to coordinate our attendance at regional events in support of our Program.

# National Minority Supplier Development Council ("NMSDC")

We are planning to attend the NMSDC national conference to discover, source and engage MBEs, as well as improve and promote the T-Mobile Supplier Diversity Program.

# Northwest Mountain Minority Supplier Development Council ("NWMMSDC")

T-Mobile intends to continue its long-standing relationship with this regional council for work at our Headquarters in Bellevue, WA. The planned activities include sponsoring the Business

Conference & Opportunity Fairs, attending and sponsoring the annual scholarship and fundraiser silent auction, and completing a T-Mobile-specific training course on supplier diversity program optimization and implementation. We also intend to continue to support the Council, by serving on its Board of Directors and supporting local minority suppliers as they work towards certification.

# Women's Business Enterprise National Council ("WBENC")

We are planning to attend the 20<sup>th</sup> Anniversary WBENC National Conference to discover, source and engage WBEs as well as improve and promote the T-Mobile Supplier Diversity Program.

# Technology Industry Group ("TIG")

Given our technology focus, we plan to support the TIG organization as it works to connect technology companies with diverse suppliers throughout the country by participating in their major conferences and regional events.

# Summary of WMDVLGBTBE Short, Mid and Long-Term Goals (10.1.1)

The following attachments summarize T-Mobile's short-, mid-, and long-term goals.

• Attachment 6 – Goals for WMDVLGBTBE Procurement

# Required Additional Disclosures (10.1.3 – 10.1.6)

# Plans for Recruiting WMDVLGBTBE Suppliers Where Utilization Has Been Low

T-Mobile is committed to recruiting and developing Diverse Business Enterprise talent in traditional, non-traditional, and under-utilized areas, and to otherwise encourage those suppliers to register with the Supplier Clearinghouse or any other recognized certifying entity. For examples of activities that T-Mobile intends to undertake in 2017, see above sections "Partnerships, Conferences & Recruitment Efforts" under "Actively Outreach, Engage and Invite Diverse Suppliers" and "Legal Diversity Task Force" under "Inspire and Motivate Employees".

*Plans for Recruiting WMDVLGBTBE Suppliers in Excluded Categories* **Not applicable** 

# Plans for Prime Contractor Utilization of WMDVLGBTBE Subcontractors

T-Mobile intends to continue to encourage prime suppliers to report on a quarterly basis their amount of direct and indirect spend with diverse businesses. When applicable, T-Mobile plans to continue to include prime contractor utilization of Diverse Business Enterprise subcontractors in our contract language.

# *Plans for Complying with WMDVLGBTBE Program Guidelines*

T-Mobile intends to continue striving to meet the Commission's goals as established in GO 156.

#### T-Mobile West LLC and MetroPCS California, LLC dba T-Mobile WMDVLGBTBE Procurement by Ethnicity – 2017 Annual Plan GO 156 Section 10.1.1

# Attachment 6. Goals for WMDVLGBTBE Procurement

|             | _   |     |                      |                   | Short-Term Goa                            | als                  |       |                      |                     | Mid-Term Goa                              |                                 |            | Long-Term Goals      |                     |   |                      |            |
|-------------|---|-----|----------------------|-------------------|---|----------------------|-------|----------------------|---------------------|---|---------------------------------|------------|----------------------|---------------------|---|----------------------|------------|
| Line<br>No. |   |     | Minority<br>Business | Women<br>Business | Lesbian, Gay,<br>Bisexual,<br>Transgender | Veteran              | Total | Minority<br>Business | Women<br>Business   | Lesbian, Gay,<br>Bisexual,<br>Transgender | Disabled<br>Veteran<br>Business | Total      | Minority<br>Business | Women<br>Business   | Lesbian, Gay,<br>Bisexual,<br>Transgender | Veteran              | Total      |
| 1           | Products  |     | Enterprise<br>(MBE)  |                   |   | Enterprise<br>(DVBE) |       | Enterprise<br>(MBE)  | Enterprise<br>(WBE) | Business<br>Enterprise<br>(LGBTBE)        | Enterprise<br>(DVBE)            | WMDVLGBTBE | Enterprise<br>(MBE)  | Enterprise<br>(WBE) | Business<br>Enterprise<br>(LGBTBE)        | Enterprise<br>(DVBE) | WMDVLGBTBE |
| 2           | SIC Code Description                                  | ] [ |                      |                   |   |                      |       |                      |                     |   |                                 |            |                      |                     |   |                      |            |
| 3           | Raw Materials <sup>1</sup>                            | %   | 0.005%               | 0.06%             | 0.002%                                    | 0.003%               | 0.07% | 0.006%               | 0.07%               | 0.002%                                    | 0.004%                          | 0.08%      | 0.007%               | 0.08%               | 0.002%                                    | 0.005%               | 0.10%      |
| 4           | Finished Products Misc Goods <sup>2</sup>             | %   | 7.2%                 | 0.16%             | 0.002%                                    | 0.003%               | 7.4%  | 9.0%                 | 0.20%               | 0.002%                                    | 0.004%                          | 9.2%       | 10.8%                | 0.24%               | 0.002%                                    | 0.005%               | 11.0%      |
| 5           | Technical Equipment/Analysis Instruments <sup>3</sup> | %   | 0.002%               | 0.03%             | 0.002%                                    | 0.003%               | 0.03% | 0.002%               | 0.04%               | 0.002%                                    | 0.004%                          | 0.04%      | 0.002%               | 0.04%               | 0.002%                                    | 0.005%               | 0.05%      |
| 6           | Subtotal  | %   | 7.2%                 | 0.24%             | 0.00%                                     | 0.010%               | 7.5%  | 9.0%                 | 0.31%               | 0.01%                                     | 0.012%                          | 9.3%       | 10.8%                | 0.37%               | 0.01%                                     | 0.014%               | 11.2%      |

|    |  | [ |   |  | Short-Term Goa  | als   |        |   |  | Mid-Term Goa  |   |                     | Long-Term Goals                             |  |   |         |                     |  |
|----|--|---|---|--|---|---|--------|---|--|---|---|---------------------|---|--|---|---------|---------------------|--|
| 7  | Services   |   | Minority<br>Business<br>Enterprise<br>(MBE) | Women<br>Business<br>Enterprise<br>(WBE) | Lesbian, Gay,<br>Bisexual,<br>Transgender<br>Business<br>Enterprise<br>(LGBTBE) | Disabled<br>Veteran<br>Business<br>Enterprise<br>(DVBE) | Total  | Minority<br>Business<br>Enterprise<br>(MBE) | Women<br>Business<br>Enterprise<br>(WBE) | Lesbian, Gay,<br>Bisexual,<br>Transgender<br>Business<br>Enterprise<br>(LGBTBE) | Disabled<br>Veteran<br>Business<br>Enterprise<br>(DVBE) | Total<br>WMDVLGBTBE | Minority<br>Business<br>Enterprise<br>(MBE) | Women<br>Business<br>Enterprise<br>(WBE) | Lesbian, Gay,<br>Bisexual,<br>Transgender<br>Business<br>Enterprise<br>(LGBTBE) | Veteran | Total<br>WMDVLGBTBE |  |
| 8  | SIC Code Description   |   |   |  |   |   |        |   |  |   |   |                     |   |  |   |         |                     |  |
| 9  | Construction/Facilities/Transportation Services <sup>4</sup> | % | 4.1%  | 0.94%                                    | 0.003%  | 0.003%  | 5.0%   | 5.1%  | 1.17%                                    | 0.004%  | 0.004%  | 6.3%                | 6.1%  | 1.40%                                    | 0.005%  | 0.005%  | 7.5%                |  |
| 10 | Professional Services <sup>5</sup>                           | % | 1.2%  | 1.6%                                     | 0.5%  | 0.002%  | 3.3%   | 1.5%  | 2.0%                                     | 0.6%  | 0.002%  | 4.1%                | 1.8%  | 2.4%                                     | 0.7%  | 0.002%  | 4.9%                |  |
| 11 | Legal Services <sup>6</sup>                                  | % | 0.03%                                       | 0.03%                                    | 0.002%  | 0.002%  | 0.07%  | 0.04%                                       | 0.04%                                    | 0.002%  | 0.002%  | 0.08%               | 0.05%                                       | 0.05%                                    | 0.002%  | 0.002%  | 0.10%               |  |
| 12 | Communications/Other Services <sup>7</sup>                   | % | 0.16%                                       | 0.002%                                   | 0.002%  | 0.001%  | 0.16%  | 0.20%                                       | 0.002%                                   | 0.002%  | 0.001%  | 0.21%               | 0.24%                                       | 0.002%                                   | 0.002%  | 0.001%  | 0.25%               |  |
| 13 | Subtotal   | % | 5.5%  | 2.57%                                    | 0.5%  | 0.007%  | 8.54%  | 6.8%  | 3.21%                                    | 0.6%  | 0.009%  | 10.67%              | 8.2%  | 3.85%                                    | 0.7%  | 0.011%  | 12.80%              |  |
|    |  |   |   |  |   |   |        |   |  |   |   |                     |   |  |   |         |                     |  |
| 14 | Total  | % | 12.7%                                       | 2.81%                                    | 0.5%  | 0.017%  | 16.00% | 15.8%                                       | 3.52%                                    | 0.6%  | 0.021%  | 20.00%              | 19.0%                                       | 4.22%                                    | 0.7%  | 0.025%  | 24.00%              |  |

<sup>1</sup> Raw Materials include vendors with primary SIC Codes: 24,34

<sup>2</sup> Finished Products Misc Goods include vendors with primary SIC Codes: 30,50

<sup>3</sup> Technical Equipment/Analysis Instruments include vendors with primary SIC Codes: 36

<sup>4</sup> Construction/Facilities/Transportation Services include vendors with primary SIC Codes: 15,16,17,35,39,41,42,49,76

<sup>5</sup> Professional Services include vendors with primary SIC Codes: 65,73,87, 89

<sup>6</sup> Legal Services include vendors with primary SIC Codes: 81

<sup>7</sup> Communications/Other Services include vendors with primary SIC Codes: 27,48,99