



**WOMEN, MINORITY, AND DISABLED VETERAN
BUSINESS ENTERPRISE
ANNUAL REPORT AND ANNUAL PLAN**

CPUC

January – December 2017

**WOMEN, MINORITY, AND DISABLED VETERAN BUSINESS ENTERPRISE
ANNUAL REPORT AND ANNUAL PLAN**

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INTRODUCTION

In accordance with the requirements of the California Public Utilities Commission, (CPUC) General Order 156, Verizon Wireless hereby electronically submits the attached Annual Report and Annual Plan that covers women, minority, disabled veteran, lesbian, gay, bisexual, and transgender-owned business enterprise (“WMDVLGBTBE” or “diverse suppliers”) activities from January 1, 2017 – December 31, 2017.

Verizon is committed to providing opportunities to diverse suppliers. Diverse suppliers help drive fresh ideas and innovative solutions that connects Verizon to the customers we serve in a multi-cultural world. These partnerships strengthen Verizon and the business community.

We have one of the most diverse boards of directors in corporate America with 7 out of 12 members being women or ethnic minorities.

OVERVIEW

In 2017, Verizon Wireless made significant strides as compared to 2016 results, achieving a spend with diverse suppliers of 34.65% of its procurement dollars. These results support our longstanding commitment to the inclusion and utilization of diverse suppliers throughout our supply chain.

When we enable growth, reduce barriers, increase opportunities for our diverse suppliers, we make their business and our business better, and we create great experiences for our customers.

In the following sections of this report, Verizon Wireless discusses each topic in Sections 9.1.1 through 10.1.6.

GO 156, §9.1.1: A description of WMDVLGBTBE program activities engaged in during the previous calendar year. Internal program activities.

INTERNAL PROGRAM ACTIVITIES

Supplier Diversity at Verizon

Supplier diversity and inclusion matters to our business. It fits into our overall strategy, and is an essential part of our success. Diversity of thought, as well as diversity among our suppliers, allows us to better connect our customers to the global economy. These diverse suppliers help drive fresh ideas and innovative solutions that connects Verizon Wireless to the customers we serve in a multi-cultural world. For our diverse suppliers, our partnerships provide them with opportunities to grow, expand their business and support the economic development in the communities we serve.

Key Procurement Opportunities

Verizon is committed to the inclusion of diverse businesses in our supply chain. We know that including diverse businesses in our sourcing process provides us with the greatest opportunity to offer innovative, high quality, and cost-effective business solutions for our customers. The strategic sourcing and supplier diversity teams along with our supplier diversity business champions collaborate daily on strategic sourcing initiatives to ensure diverse suppliers have the opportunity to compete for our business.

WMDVBE Contract Commitments

Verizon has diversity requirement language in our Request for Proposals (RFPs) and also includes diversity requirement language in our procurement contracts. Our second tier program requires prime suppliers report their spend with WMDVLGBTBE subcontractors quarterly to Verizon through our new updated tier 2 reporting portal.

Executive Awareness

Verizon's senior executive leadership team receives quarterly updates and progress reports in the form of executive dashboards from Verizon's SVP & Chief Talent and Diversity Officer, Corporate Human Resources. These dashboards include the result of their organization's diverse spend against their annual target, their top diverse suppliers by spend, top prime suppliers reporting tier 2 spend, areas of opportunity, as well as key strategies and action plans.

Employee Education

Supplier Diversity Training – In 2017, the supplier diversity team facilitated in-person training to the sales team and employee resource groups, provided on-line mandatory training for strategic sourcing, and offered on-line training for the enterprise. These trainings provided information on why supplier diversity is important to Verizon, the certification process, and tier 2 reporting.

Second Tier Program

Verizon operates a strong multi-tier diversity spend program that encourages partnership and collaboration between our primes and diverse suppliers. We include language in our contracts that require prime suppliers to commit to a percentage of spend with diverse suppliers and encourage improvement in spend year-over-year. Our prime suppliers are encouraged to honor their commitment to diversity in support of Verizon contracts by: including qualified diverse suppliers as subcontractors/second tier suppliers in Verizon procurements; ensuring those suppliers are certified through a Verizon authorized third-party diverse certification agency; mentoring diverse suppliers; partnering with Verizon to host educational workshops and opportunity seminars for diverse suppliers; and submitting quarterly reports via our supplier portal that documents their spending with diverse suppliers.

Supplier Diversity Champions

Verizon has designated supplier diversity business champions assigned by Verizon's senior executive leaders. These champions identify supplier diversity business opportunities enterprise-wide and advocate for the program by educating employees on the benefits of supplier diversity. The supplier diversity and business champion teams meet regularly on strategic initiatives and gap closure plans.

Key California Initiatives

Focus on Business and Procurement Opportunities: We offer Premier Supply Academy sessions (PSA) which are educational components of the supplier diversity program and consist of an in-person session that provides diverse suppliers an opportunity to share their capabilities with key Verizon Wireless business stakeholders. The supplier diversity and Verizon Wireless Network teams facilitated a PSA session in California with four diverse suppliers. This session included discussions around Verizon Wireless' plans for 4G and 5G densification, small cells, and in-building DAS, as well as opportunities where these suppliers may be able to support Verizon Wireless with these initiatives.

Cross Functional Teams: The supplier diversity team continued to partner with sourcing and the business to identify key RFPs and encourage competitive selection of all suppliers to ensure full opportunity for diverse suppliers. Within Verizon's procurement process, cross-functional teams consist of category sourcing experts, lines of business managers and supplier diversity managers. These teams are utilized for sourcing initiatives, including building benches of diverse suppliers, RFPs and bid reviews.

Internal Partnerships: In 2016, a supplier diversity business champion team (made up of representatives from sourcing, supplier diversity, regulatory, and the business) was created specifically to focus on Verizon Wireless' supplier diversity efforts in California to identify opportunities to drive an increase in WMDVLGBTBE spend. This supplier diversity business champion team continued to engage throughout 2017.

Prime Supplier Focus: We continued to include a diverse subcontracting clause that requires prime contractors to submit quarterly reports that track their subcontracting spend with diverse suppliers. The supplier diversity team closely monitors the reported prime contractor spend, meets with primes reporting below their diverse spend contract goal, and contacts primes that are not reporting their tier 2 diverse spend.

Prime suppliers are also encouraged to make additional concerted efforts to use more WMDVLGBTBE subcontractors. Our primes are invited to participate in advocacy conferences and symposiums, as well as join these advocacy organizations.

Improve Processes and Procedures: Verizon upgraded its tier 2 reporting and tracking system in 2017. This system (owned by a certified diverse company) simplified the reporting process for the prime suppliers and provides the supplier diversity team and business stakeholders with access to a greater level of detailed data allowing us to better measure, monitor, track, analyze, and report on its performance company-wide, including California WMDVLGBTBE goals. The supplier diversity team frequently conducts training sessions to insure that the prime suppliers successfully enter their spend data into the portal.

E.D.G.E. (educate, develop, grow and enrich): The Supplier Diversity team launched a pilot program called EDGE that's designed to provide diverse business owners with an opportunity to learn from our senior leaders in the areas of business operations improvement, leadership capabilities and Verizon's business model. Mentees are comprised of CEOs and/or presidents and are existing suppliers to Verizon. Three of these mentees are CPUC certified.

GO 156, §9.1.1: A description of WMDVLGBTBE program activities engaged in during the previous calendar year. External program activities.

EXTERNAL PROGRAM ACTIVITIES

Supplier Diversity at Verizon

We partner with advocacy organizations that help us engage with qualified diverse businesses by providing outreach educational programs, events, workshops and conferences designed to educate diverse businesses and provide them access to procurement opportunities.

Capacity Building and Technical Assistance Programs

Through our partnerships, Verizon Wireless supports chambers of commerce, business associations and supplier diversity organizations dedicated to helping diverse suppliers make valuable business connections. They provide technical assistance, capacity building and educational programs. Some of these partnerships include:

Black Business Association of Los Angeles (BBA)

Youth Entrepreneurship Training – Verizon partnered with BBA to expose, inspire and train African American youth in the area of entrepreneurship to create their own sustainable opportunities; to train them in the important area of financial literacy; economic empowerment, self-reliance, and community building. Program participants will be paired with existing BBA-member businesses to expose them to entrepreneurship for mentoring and training to learn how to turn their passions into the dynamics of starting, running and maintaining a business.

California Asian Pacific Chamber of Commerce (CAPCC)

Business Development Program – Verizon partnered with CAPCC to provide training and assistance to small businesses in expanding their capacity to assume greater levels of contracting responsibility, compete for contracting opportunities and grow their businesses in the process.

California Black Chamber of Commerce (CBCC)

Youth Entrepreneur Training – Verizon partnered with the CBCC to educate and train community leaders and entrepreneurs on ways and methods to be successful in business and create community economic development.

Elite SDVOB Network

Verizon continued its partnership with the Elite SDVOB Network at the **National Conference**. The three-day event includes education panels (Verizon participated on two – “Top Notch Capabilities for Suppliers” and “Supplier Diversity Best Practices”),

presentations, workshops, networking, and matchmaking meetings (Verizon held 12 meetings).

National Conferences and Events

Verizon's supplier diversity team and business champions partnered in one-on-one diverse supplier meetings at the NMSDC, WBENC, the Elite SDVOB, and NGLCC conferences, and on panels to ensure progress was made to meet Verizon's WMDVLGBTBE goals.

2017 Awards and Recognition

Verizon was recognized with the following awards and recognitions in 2017:

Awards & Recognition – Supplier Diversity

Million Dollar Club: U.S. Hispanic Chamber of Commerce

For seven consecutive years, Verizon was included in the USHCC's Million Dollar Club and was recognized for its commitment in doing business with Hispanic-owned business enterprises.

WE 100 Corporations of the Year: Women's Enterprise USA Magazine

Verizon is recognized as part of the WE 100 corporations by Women's Enterprise USA that support women owned businesses through a robust Supplier Diversity program.

One of America's Most Admired Corporations for Supplier Diversity: Minority Business News U.S.A

MBN USA recognized Verizon among its 2017 Corporate 101: America's Most Admired Corporations for Supplier Diversity for a demonstrated commitment to growing and developing minority-owned enterprises.

The Elite Service-Disabled Veteran-Owned Business Network

The Elite SDVOB named Verizon and Verizon's Supplier Diversity program a service disabled veteran owned business supporter at their 14th annual conference.

Top Veteran-Friendly Company: U.S. Veterans magazine

US Veteran's Magazine voted Verizon's Supplier Diversity program as one of the nation's Best of the Best in supporting veteran owned companies.

The Greater Los Angeles African American Chamber of Commerce

Verizon was named 'Utility Company of the Year' for outstanding contribution to supporting the economic growth of African American owned businesses.

Verizon scores 100% on Disability Equality Index: US Business Leadership Network

Verizon received a 100% rating on the Disability Equality Index (DEI) demonstrating the value of our diverse and inclusive experiences for employees, customers and suppliers.

Verizon Tops as Employer, Supplier Diversity Program, and LGBT Friendly Company: Professional Woman's Magazine

Verizon is recognized as a top employer that promotes the advancement of multicultural women in all aspects of business and employment.

One of America's Top Corporations for Women: Women's Business Enterprise National Council

Verizon was recognized by the Women's Business Enterprise National Council as one of America's Top Corporations for Women's Business Enterprises with a Gold status.

Awards & Recognition -- Diversity**Top 50 Employer: Equal Opportunity Magazine**

For the third year in a row, Verizon was named among the Top 50 Employers.

Top Military-Friendly Company: Military Friendly

Verizon is the highest rated technology company when it comes to total commitment to tapping into military talent.

Awards & Recognition - Technology**Highest in Overall Network Performance: RootMetrics®**

According to RootMetrics® National RootScore® Report, Verizon offers an unbeaten user experience for reliability, data, calls, speed and text.

Highest in Wireless Network Quality Performance: J.D. Power

Verizon Wireless ranks highest in wireless network quality performance in all six regions of the U.S. according to the J.D. Power 2017 U.S. Wireless Network Quality Performance StudySM – Volume 2.

Verizon sweeps 2017 U.S. Business Wireline Satisfaction Study: J.D. Power

Verizon Enterprise Solutions ranked highest in customer satisfaction in the large enterprise business segment two years in a row in all three surveyed business segments – large enterprise, small/midsize, and very small.

#1 in Customer Service: Tom's Guide

Verizon is tops in the rankings for cellular carriers on the strength of its across-the-board customer-support performance.

Fastest Wireless Network: Tom's Guide

For the second year in a row, Tom's Guide names Verizon as the fastest wireless network.

Top Wireless Network 18x in a Row: J.D. Power

J.D. Power ranks Verizon the top wireless network for the 18th time in a row.

The Best TV Providers: Reviews.com

FiOS makes the list as one of the most enjoyable experiences and best deals.

Board Participation

Executives and managers of Verizon serve on several organizational boards as officers and advisors. In addition to offering advice and counsel to diverse businesses on how to grow their business and assisting suppliers on how to meet Verizon's business needs, they also provide advice and counsel to these organizations to aid their efforts to attract and develop diverse suppliers.

Business Organization Involvement - Meetings, Conferences, Trade Fairs and Recognition Events

Through our partnerships, Verizon supports chambers of commerce, business associations and supplier diversity organizations dedicated to helping diverse suppliers make valuable business connections. They provide technical assistance, capacity building and educational programs.

Our community partners include the National Minority Supplier Diversity Council (NMSDC), Women's Business Enterprise National Council (WBENC), the NGLCC: National LGBT Chamber of Commerce, the National Veteran's Business Development Council (NVBDC), the Elite Service-Disabled Veteran-Owned Business Network (Elite SDVOB), the United States Business Leadership Network (USBLN) and the U.S. Hispanic Chamber of Commerce (USHCC).

External Communication

Verizon provides valuable information to small and diverse businesses through our supplier diversity website at the following URL: <http://www.verizon.com/supplierdiversity>. This information includes requirements for diverse suppliers, information regarding our tier 2 program, our standards, answers to some of the frequently asked questions, our supplier diversity blog, as well as links to our social media channels.

GO 156 §9.1.2: A summary of WMDVLGBTBE purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contract dollars, awarded to outside vendors in those categories is attached as: *EXHIBIT A*.

WMDVLGBTBE Annual Results by Ethnicity:

WMDVLGBTBE Annual Results by Ethnicity - VZW

			2017			
			Direct	Sub	Total \$	%
1	Minority Male	Asian Pacific American	\$410,082,638	\$18,398,375	\$428,481,013	9.71%
2		African American	\$271,230,183	\$33,099,792	\$304,329,975	6.90%
3		Hispanic American	\$90,790,092	\$13,772,966	\$104,563,058	2.37%
4		Native American	\$0	\$810,777	\$810,777	0.02%
5		Total Minority Male	\$772,102,913	\$66,081,910	\$838,184,823	19.00%
6	Minority Female	Asian Pacific American	\$101,104,566	\$12,141,846	\$113,246,412	2.57%
7		African American	\$5,580,076	\$153,483	\$5,733,559	0.13%
8		Hispanic American	\$338,336,892	\$2,368,025	\$340,704,916	7.72%
9		Native American	\$0	\$1,223,352	\$1,223,352	0.03%
10		Total Minority Female	\$445,021,534	\$15,886,706	\$460,908,240	10.45%
11	Total Minority Business Enterprise (MBE)		\$1,217,124,447	\$81,968,615	\$1,299,093,063	29.45%
12	Women Business Enterprise (WBE)		\$182,010,767	\$40,762,753	\$222,773,520	5.05%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$1,600,350	\$0	\$1,600,350	0.04%
14	Disabled Veteran Business Enterprise (DVBE)		\$4,236,301	\$822,325	\$5,058,626	0.11%
15	Other 8(a)*		\$0	\$0	\$0	0.00%
16	TOTAL WMDVLGBTBE		\$1,404,971,865	\$123,553,694	\$1,528,525,558	34.65%
17	Net Procurement**		\$4,410,822,794			

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

WMDVLGBTBE Direct Procurement by Product and Service Categories:

				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Direct	\$214,623,819	4.87%	\$195,458,819	4.43%	\$410,082,638	9.30%
2		African American	Direct	\$270,278,630	6.13%	\$951,553	0.02%	\$271,230,183	6.15%
3		Hispanic American	Direct	\$90,484,513	2.05%	\$305,579	0.01%	\$90,790,092	2.06%
4		Native American	Direct		0.00%		0.00%	\$0	0.00%
5		Total Minority Male	Direct	\$575,386,962	13.04%	\$196,715,951	4.46%	\$772,102,913	17.50%
6	Minority Female	Asian Pacific American	Direct	\$81,230,616	1.84%	\$19,873,950	0.45%	\$101,104,566	2.29%
7		African American	Direct	\$3,138,660	0.07%	\$2,441,416	0.06%	\$5,580,076	0.13%
8		Hispanic American	Direct	\$2,729,049	0.06%	\$335,607,842	7.61%	\$338,336,892	7.67%
9		Native American	Direct		0.00%		0.00%	\$0	0.00%
10		Total Minority Female	Direct	\$87,098,326	1.97%	\$357,923,208	8.11%	\$445,021,534	10.09%
11	Total Minority Business Enterprise (MBE)		Direct	\$662,485,288	15.02%	\$554,639,159	12.57%	\$1,217,124,447	27.59%
12	Women Business Enterprise (WBE)		Direct	\$50,638,092	1.15%	\$131,372,675	2.98%	\$182,010,767	4.13%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$0	0.00%	\$1,600,350	0.04%	\$1,600,350	0.04%
14	Disabled Veteran Business Enterprise (DVBE)		Direct	\$4,236,301	0.10%	\$0	0.00%	\$4,236,301	0.10%
15	Other 8(a)*		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
16	TOTAL WMDVLGBTBE		Direct	\$717,359,681	16.26%	\$687,612,184	15.59%	\$1,404,971,865	31.85%
17	Total Product Procurement			\$2,159,723,636					
18	Total Service Procurement			\$2,251,099,158					
19	Net Procurement**			\$4,410,822,794					
20	Total Number of WMDVLGBTBEs that Received Direct Spend			80					

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

WMDVLGBTBE Subcontractor Procurement by Product and Service Categories:

				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Sub	\$16,314,998	0.37%	\$2,083,377	0.05%	\$18,398,375	0.42%
2		African American	Sub	\$22,245,306	0.50%	\$10,854,487	0.25%	\$33,099,792	0.75%
3		Hispanic American	Sub	\$13,488,343	0.31%	\$284,623	0.01%	\$13,772,966	0.31%
4		Native American	Sub	\$810,777	0.02%		0.00%	\$810,777	0.02%
5		Total Minority Male	Sub	\$52,859,423	1.20%	\$13,222,486	0.30%	\$66,081,910	1.50%
6	Minority Female	Asian Pacific American	Sub	\$6,086,414	0.14%	\$6,055,432	0.14%	\$12,141,846	0.28%
7		African American	Sub	\$153,483	0.00%		0.00%	\$153,483	0.00%
8		Hispanic American	Sub	\$73,242	0.00%	\$2,294,783	0.05%	\$2,368,025	0.05%
9		Native American	Sub	\$1,223,352	0.03%		0.00%	\$1,223,352	0.03%
10		Total Minority Female	Sub	\$7,536,491	0.17%	\$8,350,215	0.19%	\$15,886,706	0.36%
11	Total Minority Business Enterprise (MBE)		Sub	\$60,395,914	1.37%	\$21,572,701	0.49%	\$81,968,615	1.86%
12	Women Business Enterprise (WBE)		Sub	\$32,382,534	0.73%	\$8,380,220	0.19%	\$40,762,753	0.92%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		Sub	\$230,389	0.01%	\$591,937	0.01%	\$822,325	0.02%
15	Other 8(a)*		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
16	TOTAL WMDVLGBTBE		Sub	\$93,008,836	2.11%	\$30,544,858	0.69%	\$123,553,694	2.80%
17	Total Product Procurement			\$2,159,723,636					
18	Total Service Procurement			\$2,251,099,158					
19	Net Procurement**			\$4,410,822,794					

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
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 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

WMDVLGBTBE Procurement by Standard Industrial Categories:

SIC Category	Asian Pacific American		African American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
	Male	Female	Male	Female	Male	Female	Male	Female							
15 - Construction - General Contractors & Operative Builders	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 2.60%	\$ 0.00%	\$ 0.00%	\$ 2.60%	\$ 9.76%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 11,418,316	\$ 92,382,660
16 - Heavy Construction, Except Building Construction, Contractor	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3.27%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3.27%	\$ 3.20%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 5,113,968	\$ 78,973,011
17 - Construction - Special Trade Contractors	\$ 0.00%	\$ 190,718	\$ 0.00%	\$ 0.00%	\$ 83,992,752	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 40.19%	\$ 2.12%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 88,624,683	\$ 200,466,299
25 - Furniture and Fixtures	\$ 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%	\$ 225	\$ 21,833,577
27 - Printing, Publishing and Allied Industries	\$ 0.00%	\$ 0.00%	\$ 1,116,179	\$ 3,138,660	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 4,254,839	\$ 1,247	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 4,256,086	\$ 21,329,060
35 - Industrial and Commercial Machinery and Computer Equipment	\$ 0.00%	\$ 0.00%	\$ 5,23%	\$ 14,72%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 19,95%	\$ 0.01%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 19,95%	\$ 100.00%
36 - Electronic & Other Electrical Equipment & Components	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.02%	\$ 0.00%	\$ 0.00%	\$ 0.02%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 20,205	\$ 117,112,502
38 - Measuring, Photographic, Medical, & Optical Goods, & Clocks	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3,082,423	\$ 3,082,423	\$ 26,221,915
42 - Motor Freight Transportation	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.87%	\$ 0.00%	\$ 0.00%	\$ 0.87%	\$ 0.00%	\$ 0.00%	\$ 11.76%	\$ 0.00%	\$ 310,775	\$ 35,776,603
48 - Communications	\$ 3,743,749	\$ 645,712	\$ 0.00%	\$ 0.00%	\$ 3,574,829	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 7,964,290	\$ 7,485,290	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 15,429,580	\$ 186,680,251
50 - Wholesale Trade - Durable Goods	\$ 207,394,912	\$ 31.36%	\$ 269,145,241	\$ 40.69%	\$ 331,676	\$ 0.05%	\$ 0.00%	\$ 0.00%	\$ 476,871,829	\$ 20,655,072	\$ 0.00%	\$ 0.15%	\$ 0.00%	\$ 498,518,738	\$ 661,373,816
57 - Home Furniture, Furnishings and Equipment Stores	\$ 3,485,158	\$ 2.47%	\$ 80,394,187	\$ 56.87%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 83,879,345	\$ 4,323,174	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 88,202,520	\$ 141,366,449
65 - Real Estate	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 59.33%	\$ 3.06%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 62,399	\$ 100.00%
72 - Personal Services	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 4.64%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 4,644	\$ 100.00%
73 - Business Services	\$ 194,664,269	\$ 13.68%	\$ 4,331,915	\$ 0.30%	\$ 1,236,239	\$ 0.09%	\$ 248,527	\$ 0.02%	\$ 755,361	\$ 0.05%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 292,242,526	\$ 1,423,382,051
76 - Miscellaneous Repair Services	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 14.14%	\$ 6.39%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 20,53%	\$ 100.00%
81 - Legal Services	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 57,053	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 57,053	\$ 6,613	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 63,665	\$ 6,172,746
87 - Engineering, Accounting, Research, and Management Services	\$ 794,550	\$ 0.13%	\$ 15,542,035	\$ 2.47%	\$ 991,553	\$ 0.15%	\$ 1,205,177	\$ 0.19%	\$ 334,852,481	\$ 53,17%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 391,120,607	\$ 629,829,518
89 - Services, Not Elsewhere Classified	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 56.10%	\$ 6.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 62,10%	\$ 100.00%
99 - Nonclassifiable Establishments	\$ 0.00%	\$ 0.00%	\$ 17,210	\$ 0.02%	\$ 34,505	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 17,210	\$ 34,505	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 213,756	\$ 112,914,449
Other*** - Other***	\$ 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%	\$ 275,925,835
TOTAL	\$ 410,082,638	\$ 101,104,566	\$ 271,230,183	\$ 5,580,076	\$ 90,790,092	\$ 338,336,892	\$ 0	\$ 0	\$ 1,217,124,447	\$ 182,010,767	\$ 1,600,350	\$ 4,236,301	\$ 0	\$ 1,404,971,865	\$ 4,410,822,794
	9.30%	2.29%	6.15%	0.13%	2.06%	7.67%	0.00%	0.00%	27.59%	4.13%	0.04%	0.10%	0.00%	31.85%	100.00%

Total Product Procurement	\$1,713,500,353
Total Service Procurement	\$2,697,322,441
Net Procurement***	\$4,410,822,794

NOTE: FIRMS WITH MULTIPLE MINORITY OWNERSHIP STATUS
 ***FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ***NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 TOTAL DOLLARS - TOTAL PROCUREMENT DOLLAR AMOUNT IN THE SPECIFIC SIC CATEGORY
 % - PERCENTAGE OF TOTAL DOLLARS

Table represents only Direct Spend

Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse:

Data on Number of Suppliers												
# WMDVLGBTBEs	Revenue Reported to CHS						Utility-Specific 2017 Summary					
	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1 million	4	7	0	2	0	13	21	15	0	2	0	38
Under \$5 million	9	3	0	1	0	13	14	9	1	1	0	25
Under \$10 million	4	7	1	0	0	12	2	5	0	0	0	7
Above \$10 million	27	15	0	0	0	42	7	3	0	0	0	10
TOTAL	44	32	1	3	0	80	44	32	1	3	0	80

Revenue and Payment Data												
WMDVLGBTBE \$M	Revenue Reported to CHS						Utility-Specific 2017 Summary					
	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1 million	\$ 1.9	\$ 3.1	\$ -	\$ -	\$ -	\$ 5.0	\$ 6.9	\$ 2.9	\$ -	\$ 1.2	\$ -	\$ 11.0
Under \$5 million	\$ 23.7	\$ 8.7	\$ -	\$ 4.7	\$ -	\$ 37.1	\$ 32.1	\$ 21.4	\$ 1.6	\$ 3.1	\$ -	\$ 58.2
Under \$10 million	\$ 24.2	\$ 57.1	\$ 5.0	\$ -	\$ -	\$ 86.4	\$ 13.1	\$ 36.0	\$ -	\$ -	\$ -	\$ 49.1
Above \$10 million	\$ 14,565.9	\$ 6,827.4	\$ -	\$ -	\$ -	\$ 21,393.3	\$ 1,165.0	\$ 121.6	\$ -	\$ -	\$ -	\$ 1,286.6
TOTAL	\$ 14,615.7	\$ 6,896.3	\$ 5.0	\$ 4.7	\$ -	\$ 21,521.7	\$ 1,217.1	\$ 182.0	\$ 1.6	\$ 4.2	\$ -	\$ 1,405.0

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE

CHS: SUPPLIER CLEARINGHOUSE

Description of Number of WMDVLGBTBE Suppliers with California Majority Workforce:

Verizon Wireless does not track this information.

GO 156 §9.1.3: An itemization of WMDVLGBTBE program expenses.

Expense Category	2017 Actuals
Wages*	\$70,750
Other Employee Expense	\$0
CPUC Clearinghouse	\$127,610
Program Expense	N/A
Technical Assistance	N/A
Total	\$198,360

The table above represents program expenses from Verizon's external affairs, regulatory, legal, supplier diversity organizations, as well as additional support.

*Note: the wages entry reflects the supplier diversity department wages only. The Regulatory department wages are not reflected above.

GO 156, § 9.1.4: A description of progress in meeting or exceeding set goals and an explanation of any circumstances that may have caused the utility to fall short of its goals

In 2017, Verizon Wireless spent 34.65% of its procurement dollars with women, minority and disabled veteran owned business enterprises (WMDVBEs).

Women Business Enterprises (WBE)

WBE purchases accounted for \$222.8 million of total purchases in 2017. This resulted in a 5.05% WBE spend, surpassing the 2017 goal of 5.00%.

Minority Business Enterprises (MBE)

MBE purchases accounted for over \$1.3 billion of total purchases in 2017. This resulted in a 29.45% MBE spend, surpassing the 2017 goal of 15.00%.

Disabled Veteran Business Enterprises (DVBE)

DVBE purchases accounted for over \$5.1M of total purchases in 2017. This resulted in a 0.11% DVBE spend, falling short of the 2017 goal of 1.50%. Although we increased our overall spend with DVBE's year-over-year (2016 DVBE spend was \$1.0M), additional focus will be made on DVBE's subcontracting opportunities.

WMDVLGBTBE Results and Goals:

Category	2017 Results	2017 Goals
Minority Men	19.00%	0.00%
Minority Women	10.45%	0.00%
Minority Business Enterprise (MBE)	29.45%	15.00%
Women Business Enterprise (WBE)	5.05%	5.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0.04%	0.00%
Disabled Veteran Business (DVBE)	0.11%	1.50%
TOTAL WMDVLGBTBE	34.65%	21.50%

% - PERCENTAGE OF NET PROCUREMENT

GO 156, § 9.1.5: A summary of prime contractor utilization of WMDVBE subcontractors.

In 2017, Verizon Wireless continued with a multi-tier focus, identifying direct and subcontracting opportunities to increase spend across numerous categories. This focus included partnering with the business and our sourcing organization, as well as working with our prime suppliers, to ensure they engage diverse suppliers in their procurement processes.

Prime suppliers submitted second tier spend with WMDVBE suppliers in the following categories:

	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$772,102,913	\$445,021,534	\$1,217,124,447	\$182,010,767	\$1,600,350	\$4,236,301	\$0	\$1,404,971,865
Subcontracting \$	\$66,081,910	\$15,886,706	\$81,968,615	\$40,762,753	\$0	\$822,325	\$0	\$123,553,694
Total \$	\$838,184,823	\$460,908,240	\$1,299,093,063	\$222,773,520	\$1,600,350	\$5,058,626	\$0	\$1,528,525,558

Direct %	17.50%	10.09%	27.59%	4.13%	0.04%	0.10%	0.00%	31.85%
Subcontracting %	1.50%	0.36%	1.86%	0.92%	0.00%	0.02%	0.00%	2.80%
Total %	19.00%	10.45%	29.45%	5.05%	0.04%	0.11%	0.00%	34.65%

Net Procurement**	\$4,410,822,794
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NOTE: *FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE

**NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS

% - PERCENTAGE OF NET PROCUREMENT

Direct - DIRECT PROCUREMENT

Sub - SUBCONTRACTOR PROCUREMENT

GO 156, § 9.1.6: A list of WMDVLGBTBE complaints received during the past year, accompanied by a brief description of the nature of each complaint and its resolution or current status.

Verizon Wireless is proactive in resolving issues that arise as a result of direct or subcontracting relationships. There were no formal complaints in 2017 or informal complaints of which Verizon Wireless is aware.

GO 156, § 9.1.7: Summary of purchases/contracts for products/services in excluded categories

Verizon Wireless did not exclude any product/service category from its purchase base. Only exclusions specifically stated in General Order 156, Section 8 such as payments to other utilities, government fees and taxes and Verizon affiliates are excluded.

GO 156, § 9.1.8: A description of any efforts made to recruit WMDVLGBTBE suppliers of products or services in procurement categories where WMDVLGBTBE utilization has been low, such as legal and financial services, fuel procurement, and areas that are considered highly technical in nature.

LEGAL SERVICES

Verizon continued its commitment to the Commission's efforts to increase supplier diversity within the legal profession. Verizon's legal diversity commitments and efforts include:

The Association of Corporate Counsel's Call to Action

Verizon continued its corporate-wide efforts in support of this commitment to diversity in the law profession undertaken several years ago. The specific initiatives discussed in Verizon's 2006 General Order 156 Supplier Diversity Report (2006 Report) are ongoing.

Quarterly Diversity Reporting Requirements

Outside counsel are required to provide a quarterly diversity report to the Verizon Legal department, which reaffirms Verizon's continued interest and focus on this topic.

Engage Excellence Program

Verizon, along with DuPont, General Mills, and Walmart, launched the Engage Excellence minority lawyer inclusion incentive program in 2014. The effort is designed to engage diverse lawyers on significant matters and promote diversity in majority law firms.

The companies pledge to hire diverse lawyers within law firms to be lead counsel on significant matters and require each firm to assign a diverse legal team to those matters. Diverse lawyers include Latino, Black, Asian, and LGBT attorneys with supervisory experience in a wide array of legal subject matters, including intellectual property, commercial and patent litigation, healthcare, corporate transactional and governance, employment and environmental law.

The effort is designed to help increase the percentage of ethnically diverse partners at majority law firms, which, according to National Association of Law Placement 2012-13 Law Firm Data, sits at only 6.7 percent. Furthermore, the percentage of minority women partners is only 2.2 percent. The participating corporations have set as a goal that at least 50 percent of the lead counsel awarded work as part of Engage Excellence will be women.

Support for Returning Veterans. America's returning veterans often have significant unmet legal needs, particularly when they have suffered physical or mental injuries as a result of their service. This initiative seeks to partner members of the Public Policy Law and Security (PPLS) Department with veterans needing pro bono representation in disability evaluations, disability benefits appeals, and involuntary separation

proceedings. This initiative also seeks to connect members of the PPLS Department with disabled veteran entrepreneurs who need business law assistance.

GO 156, §9.1.9: Utilities shall retain all documents and data they rely on in preparing their WMDVLGBTBE annual report for the longer of either three years or in conformance with the utilities' individual document retention policies, and shall provide these documents and data to the Commission upon request.

Verizon Wireless will comply with the requirements specified in GO156.

GO 156, §9.1.10a Each utility which elects to report fuel procurement separately must file with the Executive Director by March 1 of each year, beginning in 1991, a separate detailed and verifiable report on WMDVLGBTBE participation in fuel markets.

This section does not apply to Verizon.

GO 156, §9.1.10b: Utilities shall 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, in addition to their current reporting categories. Utilities have discretion to segregate overlapped dollars.

The WBE, MBE, and DVBE summary of purchases in the product and service categories indicated above are depicted in Verizon Wireless's Exhibit A.

Section 10 of GO 156 requires utilities to discuss their plans to increase spend in supplier diversity for the next reporting year. Verizon Wireless' plan is as follows:

GO 156, §10.1.1: Short, mid and long terms goals by product and service category.

Verizon Wireless has surpassed the overall goal of 21.5%. In 2017 we achieved an overall 34.65% which surpasses our 2021 long term GO 156 overall goal of 24.2%. In addition we achieved an MBE diverse spend of 29.5%, which surpasses our MBE goal of 19.1%. We are on track to surpass our 2021 long term goal for WBE of 5.2%, achieving 5.1% in 2017.

	Short-Term [Year]					Mid-Term [Year]					Long-Term [Year]				
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE
Products															
Construction - General Contractors & Operative Builders	2.65%	9.96%	0.00%	0.00%	12.61%	2.70%	10.16%	0.00%	0.00%	12.86%	2.75%	10.36%	0.00%	0.00%	13.12%
Heavy Construction, Except Building Construction, Contractor	3.34%	3.27%	0.00%	0.00%	6.61%	3.41%	3.33%	0.00%	0.00%	6.74%	3.47%	3.40%	0.00%	0.00%	6.87%
Construction - Special Trade Contractors	40.99%	2.16%	0.00%	0.00%	43.16%	41.81%	2.21%	0.00%	0.00%	44.02%	42.65%	2.25%	0.00%	0.00%	44.90%
Furniture and Fixtures	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%
Printing, Publishing and Allied Industries	20.35%	0.01%	0.00%	0.00%	20.35%	20.75%	0.01%	0.00%	0.00%	20.76%	21.17%	0.01%	0.00%	0.00%	21.18%
Industrial and Commercial Machinery and Computer Equipment	0.02%	0.00%	0.00%	0.00%	0.02%	0.02%	0.00%	0.00%	0.00%	0.02%	0.02%	0.00%	0.00%	0.00%	0.02%
Electronic & Other Electrical Equipment & Components	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%
Measuring, Photographic, Medical, & Optical Goods, & Clocks	0.00%	0.00%	0.00%	11.99%	11.99%	0.00%	0.00%	0.00%	12.23%	12.23%	0.00%	0.00%	0.00%	12.47%	12.47%
Motor Freight Transportation	0.89%	0.00%	0.00%	0.00%	0.89%	0.90%	0.00%	0.00%	0.00%	0.90%	0.92%	0.00%	0.00%	0.00%	0.92%
Communications	4.35%	4.08%	0.00%	0.00%	8.43%	4.44%	4.16%	0.00%	0.00%	8.60%	4.53%	4.24%	0.00%	0.00%	8.77%
Wholesale Trade - Durable Goods	73.55%	3.19%	0.00%	0.15%	76.88%	75.02%	3.25%	0.00%	0.16%	78.42%	76.52%	3.31%	0.00%	0.16%	79.99%
Home Furniture, Furnishings and Equipment Stores	60.52%	3.12%	0.00%	0.00%	63.64%	61.73%	3.18%	0.00%	0.00%	64.91%	62.97%	3.25%	0.00%	0.00%	66.21%
Real Estate	0.00%	4.73%	0.00%	0.00%	4.73%	0.00%	4.82%	0.00%	0.00%	4.82%	0.00%	4.92%	0.00%	0.00%	4.92%
Nonclassifiable Establishments	0.02%	0.03%	0.00%	0.15%	0.19%	0.02%	0.03%	0.00%	0.15%	0.20%	0.02%	0.03%	0.00%	0.15%	0.20%
Subtotal	15.32%	1.17%	0.00%	0.10%	16.59%	15.63%	1.19%	0.00%	0.10%	16.92%	15.94%	1.22%	0.00%	0.10%	17.26%
Services															
Personal Services	0.00%	0.00%	71.81%	0.00%	71.81%	0.00%	0.00%	73.25%	0.00%	73.25%	0.00%	0.00%	74.71%	0.00%	74.71%
Business Services	14.42%	6.52%	0.00%	0.00%	20.94%	14.71%	6.65%	0.00%	0.00%	21.36%	15.00%	6.79%	0.00%	0.00%	21.79%
Miscellaneous Repair Services	0.00%	5.69%	0.00%	0.00%	5.69%	0.00%	5.80%	0.00%	0.00%	5.80%	0.00%	5.92%	0.00%	0.00%	5.92%
Legal Services	0.94%	0.11%	0.00%	0.00%	1.05%	0.96%	0.11%	0.00%	0.00%	1.07%	0.98%	0.11%	0.00%	0.00%	1.09%
Engineering, Accounting, Research, and Management Services	57.22%	6.12%	0.00%	0.00%	63.34%	58.37%	6.24%	0.00%	0.00%	64.61%	59.54%	6.36%	0.00%	0.00%	65.90%
Services, Not Elsewhere Classified	0.00%	12.75%	0.00%	0.00%	12.75%	0.00%	13.00%	0.00%	0.00%	13.00%	0.00%	13.26%	0.00%	0.00%	13.26%
Subtotal	12.83%	3.04%	0.04%	0.00%	15.90%	13.08%	3.10%	0.04%	0.00%	16.22%	13.34%	3.16%	0.04%	0.00%	16.54%
TOTAL	28.15%	4.21%	0.04%	0.10%	32.49%	28.71%	4.29%	0.04%	0.10%	33.14%	29.28%	4.38%	0.04%	0.10%	33.80%

GO 156, §10.1.2: A description of WMDVLGBTBE program activities planned for the next calendar year (internal program activities).**PLANNED WMDVLGBTBE PROGRAM ACTIVITIES FOR 2018**

Verizon will continue to make concerted efforts to strengthen its supplier diversity results:

Internal Program Activities

Verizon understands a successful supplier diversity program requires objective goal setting and business alignment. We also make a point to develop strong relationships with diverse suppliers and provide mentoring and industry-level coaching so that each and every supplier has the tools needed to compete in the global marketplace. We will continue to do the following:

In reach and Awareness

- Drive the inclusion of qualified diverse suppliers as subcontractors/2nd tier suppliers in Verizon procurement opportunities.
- Analyze and increase utilization in low and non-traditional services such as legal, financial and investment management areas.
- Continue to strategically partner and collaborate with sourcing, business stakeholders and suppliers to develop and implement strategies to increase diverse spend.
- Assess direct and indirect procurement opportunities by identifying key RFPs with an impact on Verizon Wireless.
- Collaborate with sourcing teams to build benches of diverse suppliers to ensure readiness for procurement opportunities such as RFPs.
- Partner with Sourcing and strategic prime suppliers to ensure multi-tier diversity inclusion.
- The supplier diversity team will launch an ERG Supplier Diversity Training program. The purpose of the program is to ensure that ERG leaders are trained to be ambassadors for supplier diversity, both internally and externally.
- Leverage business stakeholders that may impact the use of diverse suppliers in California.
- The supplier diversity team will continue to provide training across the enterprise. These trainings provide information on why supplier diversity is important to Verizon, the certification process, and tier 2 reporting.
- Educate, increase awareness and work closely with prime suppliers to ensure they meet their spend requirements.

- Consistently monitor, review and analyze reports to track progress to ensure diversity initiatives are being executed.
- Collaborate with diverse advocacy organizations and prime suppliers in support of doing business with WMDVLGBTBE suppliers.
- Support and mentor suppliers by building on their successes, providing favorable feedback, and suggest partnerships with organizations that are working to improve their opportunities.
- The Supplier Diversity team will begin the second class for the EDGE (educate, develop, grow and enrich) program. Our program is designed to provide diverse business owners with an opportunity to learn from our senior leaders in the areas of business operations improvement, leadership capabilities and Verizon's business model. Mentees are comprised of CEOs and/or presidents and are existing suppliers to Verizon.
- Encourage prime suppliers to diversify their own base of suppliers and subcontractors, and develop relationships that would be mutually beneficial.
- Collaborate with public policy team and business champions to determine market area growth opportunities and implement gap closure plans where needed.

GO 156, §10.1.2: A description of WMDVLGBTBE program activities planned for the next calendar year (external program activities).

External Program Activities

Verizon is committed to promoting and including diverse businesses into our supply chain. We believe including diverse businesses in our sourcing process provides us with the greatest opportunity to offer innovative, high quality, and cost-effective business solutions for our customers. Verizon will continue to participate with community partnerships that advocate and promote supplier diversity to increase the utilization of diverse suppliers.

Outreach and Advocacy

- Provide guidance and training to prime suppliers on tier two spend reporting.
- Support and partnership with various Chambers of Commerce and business associations to conduct one-on-one meetings between WMDVLGBTBEs and Verizon Category Managers to discuss both current opportunities in California and general Verizon requirements for the applicable product or service.
- Facilitate Verizon Premier Supplier Academy sessions to educate, engage, and promote awareness of Verizon's requirements and opportunities with diverse suppliers in network technology.
- Develop existing WMDVLGBTBEs for 2nd tier strategic opportunities.
- Encourage diverse suppliers to achieve and maintain certifications, and to enter and update their profiles in our website registration database.
- Participate in local, regional and national supplier diversity events which include: conferences, forums, symposiums, trade fairs, workshops and panel discussions.
- Leverage active partnerships with the CPUC, Joint Utilities, the Elite Service Disabled Veteran Owned Business Network (SDVOB), and various chamber organizations to build awareness of Verizon's procurement requirements.
- Monitor results and work closely with prime suppliers to ensure that they meet their 2nd tier spend requirements; review and expand areas of opportunity for diverse spend.
- Continue our investment in and partnering with California minority business associations to provide their members with technical assistance programs.
- Partner with the NGLCC: National LGBT Chamber of Commerce, to increase bench qualified of LGBT owned suppliers.
- Identify existing diverse suppliers that have not obtained third party certification and encourage certification.

GO 156, §10.1.3: Plans for recruiting WMDVLGBTBE suppliers of products or services where WMDVLGBTBE utilization has been low, such as legal and financial services, fuel procurement, and areas that are considered highly technical in nature.

- The company will continue with our community partnerships dedicated to helping diverse suppliers make valuable business connections.
- Continue participation in relevant forums throughout the state in order to identify diverse suppliers in these areas.
- We will continue to work with prime suppliers in such areas as technology, legal and financial services to encourage the use of WMDVLGBTBEs.
- Continue to develop and leverage best practices within the industry for enhancing sustainable supplier diversity growth.
- Verizon will utilize the numerous diverse databases for identifying and vetting diverse suppliers for procurement opportunities, as well as opportunities to add them to category “benches”.
- We will continue to focus on recruiting, identifying and positioning DVBE and LGBT suppliers for key RFP opportunities.

GO 156, §10.1.4: Plans for seeking and/or recruiting WMDVLGBTBE suppliers of products or services in any “excluded category” of products or services which has been removed from the procurement dollar base used to set goals because of the established unavailability of WMDVLGBTBE suppliers.

The CPUC issued Decision 05-11-024 on November 13, 2005 in which it eliminated the use of exclusions in reporting diversity procurement results. Verizon Wireless has not used exclusions in providing this report.

GO 156, §10.1.5: Plans for encouraging both prime contractors and grantees to engage WMDVLGBTBE in subcontracts in all categories that provide subcontracting opportunities.

The strategic sourcing and the supplier diversity teams work closely together to review existing agreements to ensure standard supplier diversity language is included in our master service agreements and that prime suppliers with diversity commitments comply with tier 2 reporting requirements.

GO 156, §10.1.6: Plans for complying with WMDVLGBTBE program guidelines.

Verizon Wireless will comply with the General Order 156 program guidelines.

Section 9.1.2 VERIZON WIRELESS

Exhibit A

Product/Service Detail

Period Reporting: January 2016 thru December 2016

SIC Category	Product/Service Description	African American		Asian-Pacific		Native American		Hispanic		Not Identified by Ethnic		Men	Women	MBE	WBE	DBVE	MWDVBE	Minority, Women, & DVE	Procurement	2016 Total Company Procurement		
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Total Minority Male	Total Minority Female	Total Minority Business (MBE)	Total Minority Women Business (WBE)	Non-Disabled Veteran	Minority, Women, & DVE					
7	Agricultural Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3,504,959	3,504,959		
15	Construction - General Contractors & Operative Builders	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100,000	100,000		
16	Heavy Construction, Except Building Construction, Contractor	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	65,973,299	66,943,207		
17	Construction - Special Trade Contractors	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	38,555	100,000		
27	Printing, Publishing and Allied Industries	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9,345,104	34,741,250		
34	Fabricated Metal Products	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	78,000	100,000		
35	Industrial and Commercial Machinery 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%	0.00%	0.00%	0.00%	0.00%	0.00%	255,024	56,329,680		
36	Electronic & Other Electrical Equipment & Components	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.45%	99,555	100,000	
38	Measuring, Photographic, Medical, & Optical Goods, & Clocks	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6,275,399	6,275,399	
39	Miscellaneous Manufacturing Industries	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	8,065,146	8,065,146	
42	Motor Freight Transportation	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100,000	
43	United States Postal Service	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	127,816,894	127,816,894	
48	Communications	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	193,985,613	193,985,613	
49	Electric, Gas and Sanitary Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2,186,169	21,488,547	
50	Wholesale Trade - Durable Goods	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9,233	90,773	
51	Wholesale Trade - Nondurable Goods	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3,890	242,822	
52	Building Materials, Hardware, Garden Supplies & Mobile Homes	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	36,423	96,423	
57	Home Furniture, Furnishings and Equipment Stores	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	39,785	23,939,086	
59	Miscellaneous Retail	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100,000	
65	Real Estate	\$	15,520	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	24,426,254	24,426,254	
67	Holding and Other Investment Offices	\$	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	11,145,605	100,000
73	Business Services	\$	1,300,084	555,720	107,387,593	5,416,974	96,912	3,750,605	132,220	0	3,111,560	563,150	3,674,710	7,470,895	0	0	0	0	0	0	100,000	100,000
75	Automotive Repair, Services and Parking	\$	0.22%	0.09%	17.92%	0.90%	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%	100,000
76	Miscellaneous Repair Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100,000	
78	Motion Pictures	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	25,864,077	25,864,077
79	Amusement and Recreation Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100,000	
81	Legal Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1,180	9,339,903
83	Social Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1,180	9,339,903
87	Engineering, Accounting, Research, and Management Services	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100,000
89	Services, Not Elsewhere Classified	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
99	Nonclassifiable Establishments	\$	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Other***	Other***	\$	0.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Total	\$	1,315,604	1,119,587	399,342,068	10,202,876	50,913	0	2,807,189	5,578,244	0	0	403,515,774	16,900,707	420,416,481	114,576,526	1,019,373	536,012,381	1,808,673,369	2,344,685,749		
		%	0.06%	0.05%	17.03%	0.44%	0.00%	0.00%	0.12%	0.24%	0.00%	0.00%	17.21%	0.72%	17.93%	4.89%	0.04%	22.86%	77.14%	100.00%		

***SIC Codes with no Diverse Spend (01, 02, 08, 14, 20, 22, 23, 24, 25, 26, 28, 30, 32, 33, 44, 45, 47, 53, 54, 55, 56, 58, 60, 61, 62, 63, 64, 70, 72, 80, 82, 84, 86, 91, 92, 94, 95, 96, 97)