



2020 Diversity Procurement Report and 2021 Plan of  
Cox Communications California, LLC and  
Cox California Telcom, LLC

**Connecting**  
*to the power of*  
**Diversity**



*Submitted to  
the California Public Utilities Commission,  
Members of the California  
Assembly Communications & Conveyance Committee and  
the Utilities & Energy Committee, and  
the California Senate Energy, Utilities & Communications Committee*

*March 1, 2021*



## Why This Report Is Filed by a Telephone Corporation and a Cable Corporation

**Cox Communications, Inc.** provides cable, high-speed Internet, wireline voice & transport and home security & automation services in California and 15 other states. In California, services are provided by the following companies:

- **Cox Communications California, LLC**, a cable corporation that provides video and high-speed Internet services,
- **Cox California Telcom, LLC**, a California Public Utilities Commission-regulated telephone corporation providing voice and transport services,
- **Cox Communications NFS, LLC**, an interconnected VoIP provider offering limited business services, and
- **Cox Advanced Services California, LLC**, a home security and automation provider.

Cox California Telcom, LLC is a public utility and subject to CPUC General Order 156, *Rules Governing the Development of Programs to Increase Participation of Women, Minority, and Disabled Veteran Business Enterprises in Procurement of Contracts from Utilities as Required by Public Utilities Code Sections 8281-8286* ("GO 156"). Cox California Telcom, LLC does not have GO 156-reportable procurement activities. Cox California Telcom, LLC's unregulated parent companies have a nationwide Supplier Diversity Program. This report contains information about the unregulated parent companies' program.

California Public Utilities Code section 8283 encourages video providers, including cable corporations, to adopt procurement practices aimed at increasing the use of diverse vendors and to voluntarily report such activity to the Legislature on an annual basis. Cox Communications California, LLC is a cable corporation and is voluntarily providing this report to members of the state Legislature in addition to the CPUC.

While Cox strives to provide information about its Supplier Diversity program as set forth in GO 156, Cox's program differs from GO 156 in some ways because it was not developed pursuant to GO 156 (as the unregulated parent companies are not subject to GO 156). Therefore, some of Cox's data is different from what other companies may report to the CPUC. For instance, Cox's supplier diversity program includes spend with certified Disability-Owned Business Entities, which currently are not included in GO 156. Additionally, this report provides information about Cox's national and California procurement activities, thus reported procurement represents Cox's spend nationwide (and not just for California operations). While there are some differences, Cox believes that our program shares the same goal as GO 156 – to increase procurement opportunities for historically disadvantaged suppliers.

*There are several organizations and diverse categories that are referred to by their acronyms. Please use this key as a reference during your review of our report:*

*Diverse Vendor Categories:*

<b>Acronym</b>	<b>Full Reference</b>
MBE	Minority Business Entity
WBE	Women-owned Business Entity
SDVOBE	Service-Disabled Veteran Owned Business Entity
VBE	Veteran Owned Business*
LGBTBE	LGBT Business Entity
DOBE	Disabled person Owned Business Entity*

\*Included in Cox's Supplier Diversity program but not part of CPUC G.O. 156

*Supplier Diversity Associations*

<b>Acronym</b>	<b>Full Reference</b>
NMSDC	National Minority Supplier Development Council
GMSSDC	Georgia Chapter of NMSDC
WBEC	Women Business Enterprise Council
WBENC West	Western Region chapter of WBEC – includes California and other states
NGLCC	National Gay & Lesbian Chamber of Commerce
NVBDC	National Veteran Business Development Council

## 2020 At A Glance

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### *2020 Total Spend with Diverse Suppliers: \$732M, 24% of Total Spend Nationwide*

*-Tier 1: \$654,535,389 (MBE, WBE, DOBE, VET, SDVB, LGBTBE)*

*-Tier 2: \$77,516,192 (MBE, WBE, DOBE, VET, SDVB, LGBTBE, SBA, HUBZONE)*

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The year 2020, not surprisingly, was a challenging one due to the worldwide COVID pandemic. While our overall percentage of total spend nationwide was lower than last year, and despite disruption on many fronts including with supply chains across the globe, we were able to achieve a 24% spend with our diverse suppliers. We focused our efforts around three main areas: total spend, outreach and scholarship. We were successful in increasing our spend over 2019 with WBE, LGBTBE and DVBE suppliers. We also provided our internal business partners better visibility to their diversity spend to give them better accountability. Despite the need to socially distance, and our companies travel restrictions, we still were able to host and participate events that gave diverse suppliers the opportunity to meet with our sourcing team and business stakeholders for matchmaking and business opportunities through virtual platforms. Lastly, our scholarship program saw more graduates than ever before in part due to the virtual format. We continue to sustain a premiere, mature supplier diversity program.

As mentioned above, supplier outreach remained a critical component of the Cox Communications supplier diversity program in 2020, with a good deal of focus on the LGBTBE segment as our total spend shows. Additionally, based on our great success in 2019 in seeing the best Tier 2 numbers in the history of the program, 2020 was an opportunity to conduct outreach to suppliers that had not historically participated. We found success with workshops and one-on-one coaching with our prime suppliers that did not have a pre-existing program and mentored these companies on supplier diversity and included them in matchmaking events. Building on these efforts allowed our program team at the end of 2020 to establish a certification assistance program that will launch in 2021. As a result, our efforts led to an additional \$6.1M in Tier 2 spend from suppliers that have never reported before.

Like many other companies dealing with the impacts of the COVID pandemic, Cox found itself sourcing large quantities of Personal Protective Equipment (PPE) for the first time in 2020. We were able to leverage our existing partnership with a DVBE supplier as our primary source for PPE. As a result, we grew DVBE spend by 749%. In addition, one new WBE became a strategic partner for Cox during 2020 and competed in an RFP to provide cloth masks for all of Cox's frontline workers and was awarded the business over several other large national providers.

The new virtual environment as a result of the pandemic has allowed us to expand our small business leadership academy with a 73% increase in scholarships awarded to include companies outside of the program footprint across our 5 educational partner universities. These continuing education programs in business and leadership have helped small diverse suppliers at Cox not only become better suppliers but are also making them better businesses in the communities we serve.

Held virtually for the first time, our 10th Annual California Cable Supplier Diversity Expo, held in partnership with Comcast and Charter, had over 20 Cox representatives participating in matchmaking. This high-impact, one-day event strategically connects diverse suppliers directly to supplier diversity program teams, buyers, category managers, and large prime suppliers. The three key panel sessions focused on 1) Engagement, Education, Connection, 2) keys to success for Tier 1 and Tier 2 partnerships and 3) insights and resources for business success in a post COVID world.

After the troubling racial injustices we saw in 2020, Cox held several listening sessions in which more than 1600 employees listened, shared stories, and offered strategies to help Cox be the change we want to see. These sessions led to the launch of our Actions Speak initiative, led by a cross-divisional group of leaders focused on racial discrimination, criminal justice reform and quality education. Our vision is to champion an open environment where everyone feels empowered to make their mark by using their unique greatness to fuel innovation, drive continuous growth and build a better future today. We're aiming to make a long-term, sustainable difference that will touch almost every aspect of how we operate and engage with employees, customers, suppliers, and elected officials.

As part of this heightened focus, our supplier diversity team is working with Cox enterprise wide leaders to develop initiatives to help diverse-owned businesses grow, thrive, and compete through tools such as continuing education programs and investment in underrepresented businesses. The family of Cox companies has committed to spend one billion dollars with diverse owned businesses nationwide by 2026.

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*The following certified diverse-owned business entity segments are included in our program:  
Minority, Woman, Service-Disabled Veteran, LGBT, Disability, Veteran, and HUBZone*

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Cox	2020	G.O. #156 Sec. 9.1.1
<b>Description of WMDVLGBTBE Program Activities During the Previous Calendar Year</b>		

***Internal Program Activities***

Cox’s Supply Chain team continues its approach to increase internal awareness to ensure Cox leadership and employees understand the benefits of using diverse suppliers in order to garner as much support as possible of our Supplier Diversity program. The Supply Chain team continues its “Supplier Diversity 101” trainings throughout the year to newly hired employees and at various team meetings. They also partnered with several Cox Employee Resource Groups (“ERG”), which focus on our employee diversity, to help deliver this training including via streamed programming to our operations across the country.

Our supplier diversity team strives to ensure every prospective diverse-owned supplier interested in doing business with Cox (whether by registering in a portal or by cold calling business units) receives a personal response from a member of the Cox supplier diversity team. If the prospective supplier’s product or services catalogue aligns with Cox’s procurement pipeline, a capabilities call is always scheduled with the appropriate category manager and/or business unit stakeholder.

The Cox Supply Chain team continued to provide resources and support to the Supplier Diversity pillars of our regional Diversity and Inclusion Councils around the country. These pillars (and their Councils) are located within all our field operations, including California, and are made up of a cross-functional group of employees and senior leaders focused on Cox’s diversity efforts, including Supplier Diversity. These regional Councils are modeled after our national Council, which is made up of leaders from around the country (including California’s top executive, Sam Attisha) and led by our President, Pat Esser. The Supplier Diversity pillars across our nationwide footprint help to educate our employees and also identify vendors to meet local needs, thereby helping Cox to meet its annual Supplier Diversity goals.

Our Councils play an important role in helping our Operations teams identify diverse vendors. For example, local Council representatives researched and provided the names of several diverse vegetation management vendors to our California Construction team. In the end, the Team hired a WMBE vegetation management company to assist with ensuring safe surroundings of Cox outside plant

The supplier diversity program continued to support the Cox Business Sales team (which provides services to small, medium and Enterprise customers) in 2020 to inform and educate the enterprise sales executives on Cox’s supplier diversity business strategy. The team also supports custom RFP response language and collateral to be used in the Cox Sales Resource Center. Supplier diversity remains a revenue enabler and facilitating our own tier 2 reporting to major customers. A senior leader for Cox Business served as a committee member on the supplier diversity workstream in 2020 and acted as a liaison between Cox Business and the supplier diversity program team.

Cox ensures that our most senior leaders are both engaged in our Supplier Diversity program and that they are familiar with the programs objectives and its challenges to garner their support.

## External Program Activities

Supplier outreach remained a critical component of the Cox Communications supplier diversity program in 2020. The team hosted “How to Do Business with Cox” procurement readiness workshops with various supplier audiences and partner organizations. The workshops are designed to help prospective diverse suppliers get plugged into the supply chain and provide a competitive advantage to winning business at Cox. The supplier diversity team also hosted one on one sessions with suppliers on the importance of diversity certification. At the end of 2020 the program team started foundational efforts to establish a certification assistance program that will launch in 2021.

Cox continued to see advances related to longer term, foundational strategies installed earlier in the program journey. Diverse supplier matchmaking has been a key component of program strategy since its inception, but the Cox team has grown to become more targeted and more strategic in its approach. Due to the virtual environment, we saw increased engagement in matchmaking events from our strategic sourcing team as well as business partners. This has led to smarter matchmaking and sustained relationships with prospective suppliers that continued to pay off in 2020.

The sourcing and procurement teams as well as the supplier diversity team worked hard to encourage participation and enhance the supplier experience in our Tier 2 reporting tools. An onboarding document was created to strengthen our communication around the program and shared with new suppliers that agreed to report Tier 2. Cox continued to audit Tier 2 contract language, analyze opportunities, and drive reporting compliance with suppliers. Due to sourcing team participation and continued executive leadership support, Cox delivered a 19% supplier participation rate in 2020.

Cox hosted a “Unlocking Tier 2 Opportunities” virtual event, which resulted in over 200 attendees. At this two-day summit, Cox brought in executive leadership to participate on the keynote panel and five of our prime suppliers to participate in matchmaking. We received positive feedback on our post event survey with 87% of participants indicating they’d be interested in attending similar Tier 2 focused events in the future.

Cox personnel, including our senior leaders, participated in many recruiting events hosted by Cox or various Chambers and Supplier Diversity organizations. A sample of the events we participated in for 2020 include:

Event	Segment	Date	Location
San Diego Equality Business Association	LGBTQ	1/16	San Diego
Cox Sponsored Biz Pitch with GWBC	WBE	1/28	Atlanta
Cox Sponsored Biz Pitch with GMSDC	WBE	1/29	Atlanta

<b>NGLCC Sip &amp; Pitch</b>	<b>LGBTQ</b>	<b>5/15</b>	<b>Virtual</b>
<b>Disability In Virtual Conference &amp; Matchmaking</b>	<b>DBE</b>	<b>7/13-7/15</b>	<b>Virtual</b>
<b>NMSDC Supplier Diversity Program Managers Conference</b>	<b>MBE</b>	<b>7/13-7/4</b>	<b>Virtual</b>
<b>Diversity Inc Virtual Awards Ceremony</b>	<b>All</b>	<b>5/5</b>	<b>Virtual</b>
<b>Long Beach Gay &amp; Lesbian Chamber</b>	<b>LGBTQ</b>	<b>8/26</b>	<b>Virtual</b>
<b>Cox Sponsored NGLCC Sip &amp; Pitch</b>	<b>LGBTQ</b>	<b>8/28</b>	<b>Virtual</b>
<b>GMSDC Business Matchmakers</b>	<b>MBE</b>	<b>9/15 &amp; 9/17</b>	<b>Virtual</b>
<b>Ascend Los Angeles/CBEST</b>	<b>ALL</b>	<b>10/6</b>	<b>Virtual</b>
<b>ProcureCon Expo 2020</b>	<b>All</b>	<b>10/8</b>	<b>Virtual</b>
<b>Diversity Inc Supplier Diversity: New Trends, Innovative Solutions</b>	<b>All</b>	<b>10/15</b>	<b>Virtual</b>
<b>Diversity Leadership Alliance Workshop</b>	<b>All</b>	<b>10/28-10/30</b>	<b>Virtual</b>
<b>Unlocking Tier 2 Opportunities</b>	<b>All</b>	<b>11/4-11/5</b>	<b>Virtual</b>
<b>California Cable Symposium</b>	<b>All</b>	<b>11/12</b>	<b>Virtual</b>
<b>Unity Week</b>	<b>All</b>	<b>11/17-11-19</b>	<b>Virtual</b>
<b>Hampton Roads Black Chamber of Commerce: Black Diamond Weekend</b>	<b>MBE</b>	<b>11/27-11/29</b>	<b>Virtual</b>

Due to the virtual nature of our annual California Cable Supplier Diversity event, Cox saw its highest attendance with over 500 attendees. Holding virtual events allowed Cox to have more personnel available to meet with diverse vendors resulting in appointments with 91 separate vendors for this single event.

We continued our support and investment in organizations that help promote and develop diverse suppliers. Cox is maintaining its positions on the Disability:IN national certification committee, the NGLCC procurement council, the Disability:IN procurement council, the GMSDC board of directors, as well as its partnerships with NMSDC, WBENC, Disability:IN, NGLCC and

TechSCALE. Cox was proud to be a sponsor at the NMSDC leadership week and national conference and the NGLCC national conference.

Cox also continued to strengthen its partnership with the National Minority Supplier Development Council in 2020 by having Senior Vice President of Supply Chain (responsible for procurement) George Richter, serve on the NMSDC board of directors. In his role on the board, George is leveraging over a decade of experience in executive sponsorship of supplier diversity programs to further advance business opportunities for certified minority business enterprises and pushing the organization to embrace change.

One benefit of our newly found virtual world has been the expansion of our Small Business Leadership Academy. Due to the virtual nature of our program this year, we were able to expand the cohorts to include companies outside of the program footprint. Cox continued to invest in our certified diverse-owned suppliers by awarding a total of 45 scholarships for small diverse suppliers and Cox Business customers to attend Cox Small Business Leadership Academies. This was our largest graduating class in the history of the program.

These continuing education programs in business and leadership have helped small diverse suppliers at Cox not only become better suppliers but are also making them better businesses in the communities Cox serves. In 2020, Cox expanded the program to include our fifth university partner, Old Dominion University to join the University of San Diego, University of Nevada, Las Vegas, Delgado Community College in New Orleans and Arizona State University. This year we also hosted feedback session with all interested graduates of the program. The purpose of these sessions was for graduates to ask questions, practices their pitches, and receive feedback from an experienced sourcing professional. These feedback sessions have resulted in positive results from the participants.

<b>WMDVLGBTBE Annual Results by Ethnicity</b>						
			[Year] of Report			
			Direct	Sub	Total \$	%
1	<b>Minority Male</b> <i>(MBE, non-WBE)</i>	Asian Pacific American	\$45,783,730	\$12,885,026	\$58,668,756	2.0%
2		African American	\$354,207,799	\$725,860	\$354,933,659	11.8%
3		Hispanic American	\$45,607,026	\$11,126,273	\$56,733,299	1.9%
4		Native American	\$17,103,200	\$446,913	\$17,550,113	0.6%
5		Unspecified	\$7,548,956	\$23,864,001	\$31,412,957	1.0%
6		<b>Total Minority Male</b>		<b>\$470,250,711</b>	<b>\$49,048,073</b>	<b>\$519,298,784</b>
7	<b>Minority Female</b> <i>(MBE, WBE)</i>	Asian Pacific American	\$6,005,384	\$2,801,631	\$8,807,015	0.3%
8		African American	\$0	\$381,982	\$381,982	0.01%
9		Hispanic American	\$794,319	\$129,217	\$923,536	0.0%
10		Native American	\$2,157,727	\$13,342	\$2,171,069	0.1%
11		Unspecified	\$0	\$0	\$0	0.0%
12		<b>Total Minority Female</b>		<b>\$8,957,429</b>	<b>\$3,326,172</b>	<b>\$12,283,601</b>
13	<b>Total Minority Business Enterprise (MBE)</b>		<b>\$479,208,141</b>	<b>\$52,374,245</b>	<b>\$531,582,386</b>	<b>17.7%</b>
14	<b>Women Business Enterprise (WBE)</b>		<b>\$160,446,324</b>	<b>\$21,676,785</b>	<b>\$182,123,109</b>	<b>6.1%</b>
15	<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>		<b>\$781,959</b>	<b>\$237,759</b>	<b>\$1,019,718</b>	<b>0.03%</b>
16	<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>\$10,007,562</b>	<b>\$0</b>	<b>\$10,007,562</b>	<b>0.3%</b>
17	<b>Veteran Business Enterprise (VBE)</b>		<b>\$4,072,520</b>	<b>\$2,184,966</b>	<b>\$6,257,486</b>	<b>0.2%</b>
18	<b>Disabled-Owned Business Enterprise (DOBE)</b>		<b>\$18,884</b>	<b>\$815,596</b>	<b>\$834,480</b>	<b>0.03%</b>
19	<b>Other 8(a)*</b>		<b>\$0</b>	<b>\$226,841</b>	<b>\$226,841</b>	<b>0.01%</b>
<b>20</b>	<b>TOTAL WMDVLGBTBE</b>		<b>\$654,535,389</b>	<b>\$77,516,192</b>	<b>\$732,051,581</b>	<b>24.4%</b>
<b>21</b>	<b>Net Procurement**</b>		<b>\$3,003,975,439</b>			

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	<b>Minority Male</b> <i>(MBE, non-WBE)</i>	Asian Pacific American	Direct	\$27,658,573	1.31%	\$18,125,157	2.05%	\$45,783,730	1.52%
2		African American	Direct	\$353,963,752	16.70%	\$244,047	0.03%	\$354,207,799	11.79%
3		Hispanic American	Direct	\$26,410,688	1.25%	\$19,196,338	2.17%	\$45,607,026	1.52%
4		Native American	Direct	\$2,797,604	0.13%	\$14,305,596	1.62%	\$17,103,200	0.57%
5		Unspecified	Direct	\$2,374,289	0.11%	\$5,174,667	0.59%	\$7,548,956	0.25%
6		<b>Total Minority Male</b>	<b>Direct</b>	<b>\$413,204,907</b>	<b>19.50%</b>	<b>\$57,045,804</b>	<b>6.45%</b>	<b>\$470,250,711</b>	<b>15.65%</b>
7	<b>Minority Female</b> <i>(MBE, WBE)</i>	Asian Pacific American	Direct	\$0	0.00%	\$6,005,384	0.68%	\$6,005,384	0.20%
8		African American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
9		Hispanic American	Direct	\$794,319	0.04%	\$0	0.00%	\$794,319	0.03%
10		Native American	Direct	\$2,157,727	0.10%	\$0	0.00%	\$2,157,727	0.07%
11		Unspecified	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
12		<b>Total Minority Female</b>	<b>Direct</b>	<b>\$2,952,045</b>	<b>0.14%</b>	<b>\$6,005,384</b>	<b>0.68%</b>	<b>\$8,957,429</b>	<b>0.30%</b>
13	Total Minority Business Enterprise (MBE)		Direct	\$416,156,952	19.64%	\$63,051,189	7.13%	\$479,208,141	15.95%
14	Women Business Enterprise (WBE)		Direct	\$79,454,553	3.75%	\$80,991,772	9.16%	\$160,446,324	5.34%
15	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$406,669	0.02%	\$375,290	0.04%	\$781,959	0.03%
16	Disabled Veteran Business Enterprise (DVBE)		Direct	\$10,007,562	0.47%	\$0	0.00%	\$10,007,562	0.33%
17	Veteran Business Enterprise (VBE)		Direct	\$1,175,503	0.06%	289701691.3%	\$0.0	\$4,072,520	0.14%
18	Disabled-Owned Business Enterprise (DOBE)		Direct	\$18,884	0.00%	0.0%	\$0.0	\$18,884	0.001%
19	Other 8(a)*		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
20	<b>TOTAL WMDVLGBTBE</b>		<b>Direct</b>	<b>\$507,220,122</b>	<b>23.93%</b>	<b>\$147,315,267</b>	<b>16.65%</b>	<b>\$654,535,389</b>	<b>21.79%</b>
21	<b>Total Product Procurement</b>			\$2,119,427,662					
22	<b>Total Service Procurement</b>			\$884,547,778					
23	<b>Net Procurement**</b>			<b>\$3,003,975,439</b>					
24	<b>Total Number of WMDVLGBTBEs that Received Direct Spend</b>			155					

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

<b>WMDVLGBTBE Subcontractor Procurement by Product and Service Categories</b>
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Cox does not receive procurement spend by product and service categories for subcontractors. Therefore, Cox does not have data responsive to this section.

<b>Cox</b>	<b>2020 Annual Report</b>	<b>G.O. #156 Sec. 9.1.2</b>
<b>WMDVLGBTBE Procurement by Standard Industrial Categories</b>		

Cox does not track its procurement by Standard Industrial Categories. Therefore, Cox does not have data responsive to this section.

<b>Cox</b>	<b>2020 Annual Report</b>	<b>G.O. #156 Sec. 9.1.2</b>
<b>Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse</b>		

Cox does not track our suppliers' revenue reported to the Clearinghouse. Therefore, Cox does not have data responsive to this section.

<b>Cox</b>	<b>2020 Annual Report</b>	<b>G.O. #156 Sec. 9.1.2</b>
<b>Description of WMDVLGBTBEs with CA Majority Workforce</b>		

Cox does not receive workforce data of its vendors. Therefore, Cox does not have data responsive to this section.

<b>Cox</b>	<b>2020 Annual Report</b>	<b>G.O. #156 Sec. 9.1.3</b>
<b>WMDVLGBTBEs Program Expense</b>		

Cox does not separately track expenses specific to its Supplier Diversity program from its Supply Chain expense budget overall. Therefore, Cox does not have data responsive to this section.

**Description of Progress in Meeting or Exceeding Set Goals**

Due to circumstances related to the COVID pandemic, Cox needed to re-adjust its goal. While our overall percentage of total spend nationwide was lower than last year, and despite the disruption on many fronts including with international supply chains, we were able to achieve a 24% spend on with diverse suppliers. Critical to this strong percentage in overall spend is tying our spend goals and non-financial goals on supplier diversity with Cox annual MBO's tied to compensation. Cox has targeted a goal of 28% national diverse spend of its total discretionary spend for 2021. While we did not reach our 2020 goal due to the unforeseen pandemic, we continue to invest in outreach, supplier development and support tools, which will support our continued work toward our goals.

<b>Cox</b>	<b>2020 Annual Report</b>	<b>G.O. #156 Sec. 9.1.4</b>
<b>WMDVLGBTBE Results and Goals</b>		

Cox establishes a goal for its Supplier Diversity program overall and not specific to a certain diverse vendor category. Therefore, Cox does not have information responsive to this section.

**Description of Prime Contractor Utilization of WMDVLGBTBE Subcontractors**

Maturing the Tier 2 program was a significant opportunity for Cox in 2020 since most new work was put on hold. In 2019, we saw our best Tier 2 numbers in the history of the program so 2020 was spent on outreach to suppliers that had not historically participated. We found success with one on one coaching with our prime suppliers that did not have a pre-existing program. We mentored these companies on supplier diversity and included them in matchmaking events so they could meet new diverse suppliers to utilize in their business. As a result of this focused effort, we recorded an additional \$6.1M in Tier 2 spend from suppliers that have never reported before. In addition, these five prime suppliers now have an established process in place for tracking diverse spend which served as a catalyst to starting their own programs.

In November Cox hosted “Unlocking Tier 2 Opportunities” virtual event in partnership with The Coca-Cola Company and UPS with over 200 attendees. At this two-day summit, Cox brought in executive leadership to participate on the keynote panel and five of our prime suppliers to participate in matchmaking. We received positive feedback on our post event survey with 87% of participants indicating they’d be interested in attending similar Tier 2 focused events in the future.

Like our 2019 report, our vendor agreements of at least \$500K explicitly endorse our Tier 2 policy of the vendor using economically disadvantaged and diverse suppliers for work related to the products or services under contract. Based on a threshold amount of spend and the type of service provided, vendors contractually commit to meet a specific percentage of Tier 2 spend. Under Cox’s Tier 2 policy, a vendor may be required to use reasonable efforts to direct as much as 21% of its total spend related to its agreement with us to economically disadvantaged and diverse suppliers.

The sourcing and procurement teams as well as the supplier diversity team worked hard to encourage participation and enhance the supplier experience in our Tier 2 reporting tools. An onboarding document was created to strengthen our communication around the program and shared with new suppliers that agreed to report Tier 2. Cox continued to audit Tier 2 contract language, analyze opportunities, and drive reporting compliance with suppliers. Due to sourcing team participation and continued executive leadership support, Cox delivered a 19% supplier participation rate in 2020.

Cox				2020 Annual Report				G.O. #156 Sec. 9.1.5			
Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors											
		*newly added						*newly added		*newly added	
	Minority Male	Minority Female	Minority Unspecified Gender	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Veteran Business Enterprise (VBE)	Disabled-Owned Business Enterprise (DOBE)	Other 8(a)*	TOTAL WMDVLGBTBE
<b>Direct \$</b>	\$470,250,711	\$0	\$0	\$470,250,711	\$169,403,754	\$781,959	\$10,007,562	\$4,072,520	\$18,884	\$0	\$654,535,389
<b>Subcontracting \$</b>	\$49,048,073	\$0	\$0	\$49,048,073	\$25,002,957	\$237,759	\$0	\$2,184,966	\$815,596	\$226,841	\$77,516,192
<b>Total \$</b>	<b>\$519,298,784</b>	<b>\$0</b>	<b>\$0</b>	<b>\$519,298,784</b>	<b>\$194,406,711</b>	<b>\$1,019,718</b>	<b>\$10,007,562</b>	<b>\$6,257,486</b>	<b>\$834,480</b>	<b>\$226,841</b>	<b>\$732,051,581</b>
<b>Direct %</b>	15.65%	0.00%	0.00%	15.65%	5.64%	0.03%	0.33%	0.14%	0.00%	0.00%	21.79%
<b>Subcontracting %</b>	1.63%	0.00%	0.00%	1.63%	0.83%	0.01%	0.00%	0.07%	0.03%	0.01%	2.58%
<b>Total %</b>	<b>17.29%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>17.29%</b>	<b>6.47%</b>	<b>0.03%</b>	<b>0.33%</b>	<b>0.21%</b>	<b>0.03%</b>	<b>0.01%</b>	<b>24.37%</b>
<b>Net Procurement**</b>	<b>\$3,003,975,439</b>										
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											

<b>Cox</b>	<b>2020 Annual Report</b>	<b>G.O. #156 Sec. 9.1.6</b>
<b>A List of WMDVLGBTBE Complaints Received and Current Status</b>		

Cox did not receive any WMDVLGBTBE complaints in 2020.

<b>Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Categories</b>
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Cox recognizes that certain fields have been difficult for diverse suppliers to obtain work, so we try to create opportunities in these areas. We also are looking to incorporate a broader range of diverse vendors into our program, to enable opportunities for a greater variety of historically disadvantaged suppliers.

### **Communications Equipment**

Cox's communications network equipment represents some of our largest expenditures. Several years ago, Cox looked beyond the traditional Tier 2 arrangements usually seen in this category and worked on a solution that would bring diverse vendors in as Tier 1 vendors. Cox purchases much of its equipment directly from two minority-owned logistics companies. Beyond obtaining needed customer and network equipment, these arrangements greatly benefit Cox by creating a consistent experience for ordering, packaging and delivery of equipment to Cox operations and customers nationwide, while providing new and, importantly, direct opportunities to diverse vendors.

### **Legal Services**

For more than 16 years, Cox has been using a California-based, certified, WBE law firm for representation before the CPUC and Nevada Public Utility Commission, along with other California WBE law firms for local, governmental matters. We continue to work with our law firms to encourage their use of minority lawyers and legal staff to help advance diversity in the legal profession.

### **Conservation**

Two important aspects of our Cox Conserves environmental conservation program are using alternative fuels for our energy consumption and recycling. Similar to our business needs, Cox utilizes diverse vendors to support our environmental efforts.

#### *--Energy Procurement*

Cox continues to purchase natural gas directly from a WBE for many of its operations nationwide. Cox utilizes the services of a VBE for the provision of fuel at several locations nationwide, including in California.

Cox also continues to purchase electric energy supply from an MBE for several of its affiliate locations. This will not be an option for our California operations until 2021 due to current California-imposed limits on the amount of energy that can be procured from retail providers.

Cox has also contracted with an MBE to provide energy scheduling services in the PJM (Pennsylvania, Jersey, Maryland) wholesale electric market.

#### *--Recycling*

Cox utilizes the services of MBE, WBE and non-profit organizations that provide employment training for individuals with disabilities (IWDs) for reusing and recycling some of the equipment

that supports our voice, video and internet services. Additionally, some of our affiliates, within and outside of California, use a WBE metals recycling company and added an additional WBE solid waste supplier.

<b>WMDVLGBTBE Fuel Procurement</b>		
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This section does not apply to Cox but please see our response to section 9.1.7.

<b>Cox</b>	<b>2020</b>	<b>G.O. #156 Sec. 10.1.1</b>
<b>WMDVLGBTBE Annual SHORT, MID, AND LONG-TERM Goals by Product and Service Category</b>		

We will continue to challenge ourselves to increase our use of diverse suppliers overall and in more procurement categories. Cox sets an annual goal for the entirety of its Supplier Diversity program. Due to circumstances related to the COVID pandemic, we needed to re-adjust our goal. For 2021, we have established a target of making at least 28% of our discretionary purchases with diverse suppliers.

<b>Description of WMDVLGBTBE Planned Program Activities for the Next Calendar Year</b>
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### Recruiting & Outreach

Cox will continue to meet with and participate in programs hosted by national and California-based supplier diversity organizations to help identify diverse supplies that can meet Cox's procurement needs. Some of the activities Cox plans for 2020 include:

- Conducting our 11<sup>th</sup> Annual California Cable Supplier Diversity Matchmaking Expo
- Matchmaking, networking events and other sponsorships hosted by various organizations, including:
  - National Minority Supplier Development Council
  - Women's Business Enterprise National Council
  - National LGBT Chamber of Commerce
  - Diversity:IN
  - National Veteran Business Development Council
  - Walter Kaitz Foundation
  - Council for Supplier Diversity
  - California Public Utilities Commission (Small Business Expo)
  - Veterans in Business
  - WBEC West
  - San Diego Equality Business Association
- Host "Doing Business with Cox" events within California and other Cox locations
- Ethnic business chambers and minority business association-sponsored events
- Board and committee membership positions in organizations that promote diversity and diverse businesses, including National Veteran Business Development Council and Disability:IN (formerly US Business Leadership Network)
- Providing certification assistance to our vendors

### Diverse Supplier Development

We continue to evaluate and plan ahead on how we can best invest resources with developing diverse suppliers. While educational opportunities and mentoring are always ongoing options, we continue to explore different means to expand our development practices.

<b>Plans for Recruiting WMDVLGVTBE Suppliers for Low Utilization Areas</b>
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Cox will continue its efforts described in section 9.1.7 to identify means for utilizing diverse suppliers for procurement categories that have had low utilization of diverse vendors.

<b>Plans for Recruiting WMDVLGVTBE Suppliers Where Unavailable</b>
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Through efforts, such as our scholarship and mentoring programs, which Cox again is expanding this year, and our focus on key departments within Cox, our hope is not just to assist existing vendors in improving and expanding their operations, but also to attract diverse vendors in areas that currently may have little-to-no diverse supplier choice. We look to continue to grow our Tier 2 program through the partnership, coaching and matchmaking opportunities we have developed for our Prime Suppliers.

<b>Plans for Encouraging Prime Contractors to Subcontract WMDVLGVTBE Suppliers</b>
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Continued focus and accountability of our Prime vendors will allow for ongoing growth with of our Tier 2 program. We plan to build on the matchmaking and development partnerships of 2020, to engage our Primes in additional outreach and diverse supplier opportunities.

**Plans for Complying with WMDVLGBTBE Program Guidelines**

Cox's CPUC-regulated subsidiary, Cox California Telcom, LLC, does not have GO 156-reportable spend. However, the unregulated parent companies have a nationwide Supplier Diversity Program. Therefore, we are providing information about Cox's national Supplier Diversity program on a voluntary basis.

As discussed in the introduction of this report, Cox's Supplier Diversity program is similar, but not identical, to GO 156. Cox intends to continue its Supplier Diversity program and to continue to provide these reports voluntarily to the CPUC and to the Legislature on an annual basis.

