

**Verizon Washington, DC Inc.**

**2020 Annual Report**

**Submitted to the District of Columbia  
Public Service Commission**

**In Accordance With the March 25, 2021  
Memorandum of Understanding  
On Supplier Diversity**

**Submitted on March 31, 2021**

Verizon Washington, DC Inc. (“Verizon”) is pleased to submit this Annual Report pursuant to Part 6 of the Memorandum of Understanding (“MOU”) executed on March 25, 2021 with the Public Service Commission (“PSC”) of the District of Columbia.<sup>1</sup>

Verizon continues to be committed to maintaining a robust supplier diversity program, particularly as the events of the past year have highlighted the importance of diversity throughout society, including in corporate America. Verizon values diversity and inclusion in our supply chain, and our diverse supply chain helps us to deliver the technology that matters to our customers in a multicultural world. Diverse suppliers deliver broad perspectives and experiences and through their innovation, can offer us high quality products and services as well as cost effective solutions.

Verizon operates a tailored set of supplier diversity and inclusion initiatives that include strategic collaborations with employees across our business.

**INTERNAL PROGRAM ACTIVITIES**

Our supplier diversity framework is based on strong leadership at the top. Our board is one of the most diverse boards in corporate America, 5 of 9 Board members are women or people of color, making Verizon one of the most diverse corporate boards of the Fortune 100 companies. They’re invested in the success of our supplier diversity program, and are responsible for approving our enterprise supplier diversity target annually.

We have a shared responsibility model where supplier diversity is an integral part of Verizon’s strategy to drive innovation with designed collaborations to create opportunities for diverse businesses. Verizon’s C-Suite executives are assigned supplier diversity targets annually. Supplier diversity results and trending analytics

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<sup>1</sup> Accompanying this Annual Report, and incorporated herein by reference, are Attachments A-1, A-2, A-3, B, and D. Certain portions of those attachments are confidential and are being filed on a proprietary basis with the PSC consistent with the terms of the MOU.

are reviewed regularly with Verizon's C-Suite executives, senior leaders, supplier diversity champions and strategic sourcing personnel.

The supplier diversity team works closely with supplier diversity champions across the business to help drive diversity spend across the enterprise. These supplier diversity champions advocate for diverse suppliers by educating employees on the benefits of doing business with diverse suppliers, provide diverse suppliers with information on business requirements and help drive the inclusion of diverse businesses in strategic sourcing initiatives.

Verizon's strategic sourcing and procurement model enables diverse businesses to compete for business opportunities. We build benches of diverse suppliers in key procurement areas to ensure readiness for business opportunities.

Verizon co-hosted a Premier Supplier Academy (PSA) session with the U.S. Black Chambers of Commerce. The Chambers' "President's Circle" suppliers were invited. Verizon's key business decision makers participated from procurement areas that included IT professional services, real estate design and construction, network maintenance infrastructure/power and marketing and branding.

PSA sessions facilitate learning opportunities in key procurement areas for diverse suppliers to better understand Verizon's business requirements while expanding business opportunities and enhancing relationships. Key Verizon business decision makers typically participate in these sessions.

In 2020, while there were COVID-19 related restrictions on meeting in person, Verizon created opportunities for diverse suppliers to learn about how to bid for and obtain business with Verizon. For example, Verizon hosted a virtual capacity building session, through our Supplier Diversity EDGE mentorship program. Participants had an opportunity to learn from and engage with Verizon subject matter experts who provided information and advice on how to best position their companies for growth, and to successfully compete in strategic sourcing initiatives on a global scale. Topics covered included:

- Understanding Verizon's Sourcing/Supply Chain Process
- Developing an Effective Product Solutions Strategy
- Effective Customer Engagement Solution Development

The mentees virtually attended their graduation ceremony in June 2020.

The Supplier Diversity EDGE (Educate, Develop, Grow and Enrich) is a mentorship program 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.

We operate a strong multi-tier supplier diversity spend program that encourages partnership and collaboration between our prime and diverse suppliers. We include

supplier diversity language in our contracts that require prime suppliers to commit to a percentage of spend with diverse suppliers and achieve improvement in spend year-over-year. Our prime suppliers are encouraged to honor their commitment to supplier diversity 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.

## **EXTERNAL PROGRAM ACTIVITIES**

In 2020, our key community partners included the US Black Chambers of Commerce, the National Minority Supplier Development Council, the Women's Business Enterprise National Council, the NGLCC/National LGBT Chamber of Commerce, the US Hispanic Chamber of Commerce, the National Veterans Business Development Council, and Disability: IN.

Verizon believes it has an ongoing corporate social responsibility to make a difference where it can. Volunteerism, pledges, match making sessions and accelerator support are examples of some of the external work we're doing to have a positive impact and drive for economic parity for diverse businesses. Verizon has taken various actions over the past year to promote diverse businesses, its customers, and the community in general, including the following:

- Verizon's "Business for All" platform provided small and diverse businesses access to resources to keep their operations running through the issuance of \$10,000 grants. <https://www.lisc.org/our-stories/story/verizon-and-lisc-fire-25-million-small-business-covid-19-recovery-fund>
- In partnership with a woman-owned business, Verizon provided masks, gowns and gloves for Verizon employees during the pandemic.
- Verizon voluntarily waived late payment fees, not terminating services for inability to pay through June in 2020. Verizon also implemented a disconnect suspension for its customers pursuant to Resolution M-4848, which is currently set to expire in July 2021.
- Verizon participated in the Wireless Infrastructure Association's virtual matchmaking sessions.
- Verizon attended Disability: IN's virtual annual conference and participated in matchmaking sessions.
- Verizon's Head of Supplier Diversity, Sandy Nielsen, participated in a panel discussion regarding the benefits and value of diverse certification at the National Association of Women Business Owners virtual annual conference.

- Verizon Media Group provided an in-kind donation for advertising on Verizon media platforms to the NMSDC and the US Black Chambers of Commerce.
- Verizon provided funding to 13 US Black Chambers to support black businesses locally and for an app that supports black businesses for future growth.
- Supplier Diversity Manager, Tiffany Williams moderated a panel discussion for the NGLCC's Communities of Color Initiative Town Hall Program entitled "White Privilege in the LGBTQ+ Community."
- Verizon attended the United States Hispanic Chamber of Commerce virtual annual conference and participated in matchmaking sessions.
- Verizon is also an executive board member of the NMSDC. We attended NMSDC's virtual conference, participated in match making sessions and sponsored their "In this Together" revitalization program to advance opportunities for black businesses and their Emerging Young Talent program to mentor the next generation of minority entrepreneurs.
- Verizon pledged funding to support black woman-owned businesses through WBENC's "We Thrive" an executive program to support WBE's through the crises of today and prepare WBE' into the future.
- Verizon sponsored the Unity Week virtual sessions presented by WBENC and NGLCC with participation from eight national community organizations: Disability: IN, NaVoba, NMSDC, US Black Chambers, USHCC, USPACC, WEConnect and WIPP. Unity Week included daily content, educational webinars, inspirational stories and important conversations.
- Verizon included two Black owned underwriters for the 2<sup>nd</sup> \$1B green bond offering. The proceeds will be used primarily for long-term renewable energy purchase agreements.
- Verizon is partnering with Generation USA to train 500,000 workers for jobs of the future over the next decade.
- Verizon is a charter member of the Billion Dollar Roundtable (BDR), a coalition of 28 companies that spend more than \$1 billion each year with diverse suppliers.
- Verizon provides valuable information to diverse businesses through our supplier diversity website at the following URL: [www.verizon.com/about/our-company/supplier-diversity](http://www.verizon.com/about/our-company/supplier-diversity) This information includes requirements for diverse suppliers, information regarding our tier 2 program, our standards, answers to frequently asked questions, supplier diversity awards and recognitions, as well as links to our social media channels.

Verizon has historically taken a stance on public issues that negatively impact business and society. Our focus on the supply chain and community has been to help businesses thrive and strive for economic parity as well. Verizon will continue to participate in outreach activities, hosting webinars, and panel discussions that advocate, promote, and educate businesses to help drive capacity building and diverse supplier utilization.

## **2020 Goals and Diverse Supplier Recruitment**

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. Our efforts to identify and include diverse suppliers in our supply chain include:

- Provide guidance and training to prime suppliers on tier two spend reporting.
- Support and partner with various chambers of commerce and business associations to conduct one-on-one meetings with diverse businesses to discuss both current opportunities in Maryland and Verizon requirements for the applicable product or service.
- Coach and mentor diverse businesses for 2<sup>nd</sup> tier strategic business opportunities.
- Encourage diverse suppliers to obtain and maintain certifications, and to maintain 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.
- Monitor results and work closely with prime suppliers to ensure that they meet their second tier spend requirements
- Review and expand areas of opportunity for diverse spend.
- Identify existing diverse suppliers that have not obtained third party certification and encourage certification.

## **LEGAL SERVICES**

Verizon continued its commitment on efforts to increase supplier diversity within the legal profession. Verizon's diversity initiatives include the following:

### **ABA Resolution 113:**

Verizon is committed to increasing diversity in the legal profession. In furtherance of this commitment, Verizon joined the General Counsel Initiative to Implement the American Bar Association's Resolution 113. This Resolution urges all providers of legal services, including corporations and law firms, to expand and create opportunities at all levels of responsibility for diverse attorneys. As part of the Initiative to Implement Resolution 113, we require our U.S. based law firms providing

legal services to Verizon or competing for Verizon's business to complete the ABA Model Survey.

Law Firm and Supplier Diversity & Inclusion Program:

Diversity is a key component of selection of outside counsel. Verizon expects our law firms to care about diversity and inclusion in the legal profession and encourages our partner firms to not only staff Verizon matters with diverse attorneys, but to also demonstrate a commitment to the hiring, retention and promotion of diverse attorneys. Verizon requires all of its firms to provide diversity-related information for their timekeepers in our Tymetrix 360 billing system. These fields must be completed to submit timekeeper rates and to bill timekeepers' time on invoices. We have developed an outside counsel diversity & inclusion program that evaluates our law firms and other suppliers and vendors' commitment to diversity and inclusion and encourages them to:

1. Demonstrate a commitment to the hiring, retention and promotion of diverse attorneys and professionals.
2. Demonstrate a regular and sustained increase in the number of diverse attorneys and professionals, including leadership roles at partner level and above.
3. Include diverse attorneys when staffing all of Verizon's matters. Our current goal is that of the total annual fees billed by all firms working on all Verizon matters, at least 25% will be from Diverse attorneys, and in addition at least 25% will be from Gender Diverse attorneys, and we hope to raise those goals in future years.
4. Provide diversity metrics (including completing a diversity survey and providing data to show, among attorneys overall and in equity partner and leadership roles, the representation of females, and for U.S. attorneys only, the representation of racial/ethnic minorities, LGBTQ individuals, and individuals with disabilities).
5. Advise of participation in the Mansfield Rule or any similar initiative that seeks to increase opportunities for diverse attorneys to obtain senior leadership roles.
6. Provide information regarding the firm's credit allocation system (including data showing the percentage of origination, relationship, and/or responsible attorney credit currently attributed to racial/ethnically diverse attorneys and women).

We evaluate law firm and other supplier/vendor practices and results and work to recognize and reward partner firms' commitment to diversity and inclusion throughout the engagement. We also partner with organizations such as NAMWOLF to hire diverse lawyers and teams directly and consider hiring from minority- or woman-owned law firms through that partnership. NAMWOLF has created a certification program for law firms to demonstrate that they are minority-owned firms capable of providing high-quality legal services. We participate in

NAMWOLF's annual conference and regularly have partnered to engage certified firms.

#### Law Firm Diversity Partnerships

Verizon has also partnered with its law firm partners to train and mentor diverse law students and attorneys to enhance the legal pipeline. In 2014 Verizon partnered with Kirkland and Ellis, LLP to create the Kirkland/Verizon Leadership Council for Legal Diversity (LCLD) 1L Scholar Program. Since then, during this 10-week program each summer, the 1L Scholar begins their summer at Kirkland & Ellis (in New York) and spends their last 4 - 5 weeks at Verizon's corporate offices in Basking Ridge, New Jersey. The program advances the selected scholar's professional development by enabling the formation of collegial and mentoring relationships and allowing the 1L Scholar an early view into work in-house at a communications and technology company and as outside counsel at a major law firm. In addition, each summer the 1L Scholar is exposed to a variety of work assignments from different practice areas.

Verizon has expanded this program to additional law firms and has also partnered with Maguire Woods, LLP to create a similar LCLD Summer scholar program in Chicago beginning in the summer of 2020 and has developed partnerships with Morgan Lewis & Bockius LLP in Washington, DC and Pillsbury Withrop Shaw & Pittman LLP in New York beginning in the summer of 2021.

In addition, Verizon's legal team partners with outside counsel to train employees and raise awareness of diversity and inclusion issues by participating in various diversity related panels and legal training.

#### 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. We 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. The program also requires the law firms to certify that the diverse lead lawyer hired receives financial credit as originator of the matter. In addition, by requiring up front a level of diversity throughout the team, Engage Excellence ensures that diverse attorneys at all levels in the firm have meaningful roles in the day-to-day work for the participating companies.

Diverse junior lawyers work on the matters with senior lawyers to foster training and experiences necessary for their own advancement. The goal is to provide a level of sustainability by impacting positively both senior and junior diverse lawyers in the firm. Diverse lawyers include Latinx, 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.

### Diversity Pipeline Programs

We aim to provide mentoring, training, and guidance to high school, college, and law school students from diverse and underrepresented populations to provide exposure and access to the legal field and support students already in the pipeline. We facilitate and support a number of programs and initiatives that encourage and equip diverse students to pursue legal careers.

Through our Verizon Legal Internship Forward Track (VZ LIFT) program we engage and recruit diverse law students as part of our comprehensive Internship recruitment and hiring process, including candidates from traditionally underrepresented groups. We select talent with strong academic credentials, impressive professional backgrounds, and quality extracurricular experience including a demonstrated commitment to diversity and inclusion. Our interns receive exposure to the various legal disciplines practiced within our department. We connect our interns with mentors and senior leaders in our legal department who have a vested interest in their professional growth and success. We created and continue to expand a post Internship community and support network for these interns and intend to enhance our engagement with the interns following their internships and collect and record their career successes.

In partnership with our Pro Bono program, we volunteer and sponsor pipeline programs with organizations sharing the mission including Legal Outreach, NJ LEEP, and Street Law. Each of these pipeline programs encourage high school students from underserved communities to excel through intensive legal and academic programming. We expanded our relationship with NJ LEEP in creating an NJ LEEP alumni position for college student alumnus of NJ LEEP to join our VZ LIFT summer program. Our DE&I Council also partners with preferred provider law firms to implement Leadership Council on Legal Diversity Scholars Programs that provide diverse law students with an opportunity to gain valuable experience and mentorship by participating in both our VZ LIFT summer program and the firm's summer associate program, and includes access to noteworthy panel discussions and networking opportunities at the annual LCLD Summit.

### Partnership and Collaboration

We allocate funding for sponsorships, partnerships, and events to raise DE&I awareness and understanding. We also host and attend networking events or meetings focused on DE&I knowledge sharing to meet and get to know diverse lawyers and allies who support and advance diversity at their organizations. For example, we routinely sponsor and attend diversity focused industry conferences, job fairs, and seminars for organizations such as the Minority Corporate Counsel Association (MCCA), Corporate Counsel Women of Color (CCWC), Corporate Counsel Men of Color (CCMC), National Association of Women Lawyers (NAWL), National Association of Minority and Woman-owned Law Firms (NAMWOLF), ChIPs, and other diversity focused events to network with diverse industry colleagues and outside counsel. We also support and attend an array of industry bar associations, including the Hispanic National Bar Association (HNBA), Lavender Law Conference

(National LGBT Bar Association), National Bar Association (NBA), National Asian Pacific American Bar Association (NAPABA), and the South Asian Bar Association of North America (SABA-NA).

#### Leadership Council on Legal Diversity Programs

As part of our ongoing commitment to supporting diversity and inclusion in the legal industry we have joined the Leadership Council for Legal Diversity (LCLD). LCLD aims to identify, mentor, and build the relationship and leadership skills of diverse legal talent, thereby helping a new and more diverse generation of attorneys ascend to positions of leadership. As a corporate member we have the opportunity to identify diverse talent to participate in the LCLD Fellows and the LCLD Pathfinders programs each year.

#### Fellows Program

Launched in 2011, LCLD's Fellows Program is designed for diverse, high-potential, mid-career attorneys at LCLD Member organizations. Participants are encouraged and tutored in building relationships both at their employer and across the legal industry through a variety of professional and personal development opportunities. The primary modes of instruction are an annual fellows meeting and "learning experiences" hosted by member organizations. Fellows stay in the program for a year after which they are replaced by other fellows from the member organization.

#### Pathfinder Program

The Pathfinder Program is designed to connect high-potential, early-career attorneys from preeminent organizations for a six- to seven-month professional development series that focuses on foundational leadership skills, professional networking and relationship building skills, and career development strategies. The program employs a range of training methods and networking opportunities available exclusively to Pathfinders: (1) two substantive virtual or in-person meetings; (2) one virtual regional meeting; (3) E-Learning Modules; (4) Peer Circle Learning Groups; and (5) Compass Conversations. A unique feature of the Pathfinder Program is that it provides the Pathfinders opportunities at each event to learn from leaders in the legal profession.

### **Financial Services**

Verizon included two Black owned underwriters for the 2<sup>nd</sup> \$1B green bond offering. The proceeds will be used primarily for long-term renewable energy purchase agreements.

### **Complaint Process**

Verizon attempts to resolve supplier diversity issues prior to the filing of a formal

complaint. When resolution is not successful, complaints should be in writing and fully documented.

To complete the complaint process, the following information should be provided:

- Complainant's representative's name and the name of company
- Mailing address and phone number
- Name of the company or person or organization that is the subject of the
- Complaint
- Address and telephone number of the subject, company or person, if known
- The name of the company's representative who was contacted (if applicable)
- A brief description of the complaint

The completed complaints should be forwarded to the contact person responsible for the supplier selection within the responsible business unit for the project(s) or Request For Proposal and the appropriate supplier diversity manager.

Karl Tucker  
Director - State Government Relations



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March 31, 2021

Ms. Brinda Westbrook-Sedgwick  
Commission Secretary  
Public Service Commission of the District of Columbia  
1325 G Street, NW, Suite 800  
Washington, DC 20005

**Re: 2020 MOU Annual Report and 2021 Procurement Plan**

Dear Ms. Westbrook-Sedgwick:

Pursuant to the Memorandum of Understanding dated March 25, 2021, between Verizon Washington, DC Inc. ("Verizon DC") and the Public Service Commission of the District of Columbia ("Commission"), attached are the 2020 Annual Report and the 2021 Procurement Plan for Verizon DC (Public Version).

Verizon DC's Report and Plan attachments contain information that Verizon DC considers to be confidential and proprietary. These portions are marked as Confidential. Pursuant to Commission Rule of Practice 150.2, Verizon requests confidential treatment for items so marked.

In this report, Verizon DC provides details of specific diverse vendor contract purchases by the Company in 2020. This information is competitively sensitive, and its disclosure would put Verizon at a competitive disadvantage by providing valuable information to Verizon's competitors relating to the specifics of Verizon DC's procurement levels and patterns.

Parties wishing to view this information may contact Verizon for appropriate proprietary agreement or file with the Commission for a Proprietary Information Determination. Parties may seek a Commission ruling on contention at any time in this proceeding.

If you have any questions about this report, please contact Stephanie Ulrich on 216-462-9868.

Respectfully,

A handwritten signature in blue ink that reads "Karl Tucker / san".

Attachments

**Verizon Washington DC, Inc.**

**2021 Annual Plan**

**Submitted to the  
DC Public Service Commission**

**In Accordance With the March 25, 2021  
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On Supplier Diversity**

**March 31, 2021**

# **Verizon Washington DC Inc. 2021 Annual Plan**

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### **4. Plans for Recruiting Diverse Suppliers**

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### **6. Plans for MOU Compliance**

## **1. Introduction**

This Annual Plan is submitted pursuant to the Memorandum of Understanding (“MOU”) executed on March 25, 2021 between the Public Service Commission (“PSC”) of the District of Columbia and Verizon Washington DC Inc. (“VZ-DC” or “Verizon”).

Verizon continues to be committed to maintaining a robust supplier diversity program, particularly as the events of the past year have highlighted the importance of diversity throughout society, including in corporate America. Verizon values diversity and inclusion in our supply chain, and our diverse supply chain helps us to deliver the technology that matters to our customers in a multicultural world. Diverse suppliers deliver broad perspectives and experiences and through their innovation, can offer us high quality products and services as well as cost effective solutions.

Verizon operates a tailored set of supplier diversity and inclusion initiatives that include strategic collaborations with employees across our business.

## **2. 2021 PLANNED ACTIVITIES**

### **2a. Internal Program Activities**

Our supplier diversity framework is based on strong leadership at the top. Our board is one of the most diverse boards in corporate America, 5 of 9 Board members are women or people of color, making Verizon one of the most diverse corporate boards of the Fortune 100 companies. They’re invested in the success of our supplier diversity program, and are responsible for approving our enterprise supplier diversity target annually.

We have a shared responsibility model where supplier diversity is an integral part of Verizon’s strategy to drive innovation with designed collaborations to create opportunities for diverse businesses. Verizon’s C-Suite executives are assigned supplier diversity targets annually. Supplier diversity results and trending analytics are reviewed regularly with Verizon’s C-Suite executives, senior leaders, supplier diversity champions and strategic sourcing personnel.

The supplier diversity team works closely with supplier diversity champions across the business to help drive diversity spend across the enterprise. These supplier diversity champions advocate for diverse suppliers by educating employees on the benefits of doing business with diverse suppliers, provide diverse suppliers with information on business requirements and help drive the inclusion of diverse businesses in strategic sourcing initiatives.

Verizon’s strategic sourcing and procurement model enables diverse businesses to compete for business opportunities. We build benches of diverse suppliers in key procurement areas to ensure readiness for business opportunities.

We plan to conduct Premier Supplier Academy sessions to facilitate learning opportunities in key procurement areas for diverse suppliers to better understand Verizon's business requirements while expanding business opportunities and enhancing relationships. Key Verizon business decision makers typically participate in these sessions.

Verizon shall continue with its Supplier Diversity EDGE (Educate, Develop, Grow and Enrich) mentorship program 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.

We will also continue to:

- Engage business stakeholders that may impact the use of diverse suppliers in DC.
- Provide access to training across the enterprise and to prime suppliers. 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 tier 2 spend requirements.
- Consistently monitor, review, analyze reports and track progress to ensure diversity initiatives are being executed.
- Support and mentor diverse suppliers by building on their successes, providing feedback, and suggest partnerships with organizations that work to improve their business opportunities.
- Encourage prime suppliers to do business with diverse suppliers in their supply chain, monitor results and ensure they meet their 2<sup>nd</sup> tier spend requirements.
- Collaborate with the public policy team and business champions to determine market area growth opportunities and action plans.

## **2b. External Program Activities**

Verizon will continue with our community partnerships dedicated to helping diverse suppliers thrive. Verizon plans to engage in the following activities this year:

- Participation in relevant forums, panels and workshops to make valuable business connections with diverse suppliers, provide education and awareness to drive the importance of a diverse supply chain and sponsor initiatives that support economic parity.
- Continue to develop and leverage best practices within the industry for enhancing sustainable supplier diversity growth.
- Utilize the numerous diverse databases for identifying and vetting diverse suppliers for procurement opportunities, as well as opportunities to add them to category "benches."
- Support and partner with various chambers of commerce and business associations to conduct one-on-one meetings with diverse suppliers, Strategic Sourcing and business stakeholders to discuss both current opportunities and general Verizon requirements for the applicable product or service.

- Encourage diverse suppliers to maintain certifications, and to enter and update their profiles in our website registration database.
- Leverage active partnerships to build awareness of Verizon's procurement requirements.

We will continue to collaborate with:

- The Billion Dollar Roundtable
- Women's Educational Presidents Educational Org.
- National Minority Supplier Development Council
- Disability: IN
- US Black Chambers of Commerce
- NGLCC: National LGBT Chamber of Commerce Annual Conference
- US Hispanic Chamber of Commerce
- Women's Business Enterprise National Council
- National Veteran Business Development
- Wireless Infrastructure Association
- FCC
- US Pan Asian Am Chamber of Commerce

## **2c. Subcontracting**

Verizon operates a strong multi-tier supplier diversity spend program that encourages partnership and collaboration between our prime and diverse suppliers. We include supplier diversity language in our contracts that require prime suppliers to commit to a percentage of spend with diverse suppliers and achieve improvement in spend year-over-year. Our prime suppliers are encouraged to honor their commitment to supplier diversity 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.

### **3. Short and Long Term Goals – see the following attachments:**

- a. Attachment C-1 Short-Term
- b. Attachment C-2 Mid-Term
- c. Attachment C-3 Long-Term

### **4. Plans for Recruiting Diverse Suppliers**

The company will continue with our community partnerships dedicated to helping diverse suppliers thrive. This includes:

- Participation in relevant forums and panels to make valuable business connections with diverse suppliers and to drive the importance of a diverse supply chain.
- Work with prime suppliers in such areas as technology, legal and financial services to encourage the use of diverse suppliers in their supply chain.
- Continue to develop and leverage best practices within the industry for enhancing sustainable supplier diversity growth.
- Utilize the numerous diverse databases for identifying and vetting diverse suppliers for procurement opportunities, as well as opportunities to add them to category “benches.”
- When scheduled, attend Wireless Infrastructure Association’s annual conference and participate in match-making sessions.
- Participate in the FCC’s matchmaking session
- Support and partner with various chambers of commerce and business associations to conduct one-on-one meetings between diverse suppliers, Sourcing and business stakeholders to discuss both current opportunities and general Verizon requirements for the applicable product or service.

### **5. Plans for Encouraging Prime Contractor Engagement**

The strategic sourcing and the supplier diversity teams work closely together to review existing agreements to ensure supplier diversity language is included in our contracts and prime suppliers comply with tier 2 reporting requirements. Our tier 2 program also includes supplier diversity language in request for proposals (RFPs).

Verizon will continue to include a diverse subcontracting provision that requires prime suppliers to engage the services of diverse suppliers and submit quarterly reports that track their subcontracting spend.

The supplier diversity program establishes supplier diversity targets for the strategic sourcing organization annually. This supports achieving progress toward increasing spend with diverse suppliers on a multi- tier basis.

supplier diversity and strategic sourcing teams closely monitor the reported prime supplier spend, meets with key prime suppliers regarding their diverse spend contract goal, and contacts primes that are not reporting their tier 2 diverse spend.

## **6. Plans for MOU Compliance**

Verizon will continue its active efforts to execute its Supplier Diversity program initiatives that focus on the inclusion of diverse suppliers in strategic sourcing opportunities.. Finally, the Company will submit the Annual Plan and reports as outlined in the MOU.

ATTACHMENTS A-1, A-2 and A-3

ATTACHMENT A-1 Diverse Suppliers							
	UTILITY NAME:	Verizon					
	FOR THE REPORTING YEAR:	2019					
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	DIVERSE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER PROCUREMENT	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER (\$) TO TOTAL UTILITY PROCUREMENT Col. (E) / Col. G
1	SYSTEM WIDE			COLS. (C) + (D)	\$ / TOTAL COL. (E)		
2							
3	MINORITY BUSINESS ENTERPRISE						
4							
5	AFRICAN-AMERICAN	\$13,771,950	\$0	\$13,771,950	56.05%		29.95%
6	AMERICAN INDIAN/NATIVE AMERICAN	\$140,375	\$0	\$140,375	0.57%		0.31%
7	ASIAN	\$24,938	\$0	\$24,938	0.10%		0.05%
8	HISPANIC	\$336,434	\$0	\$336,434	1.37%		0.73%
9	TOTAL MINORITY BUSINESS ENTERPRISE	\$14,273,697	\$0	\$14,273,697	58.09%		31.04%
10							
11	WOMEN BUSINESS ENTERPRISE	\$10,043,221	\$0	\$10,043,221	40.87%		21.84%
12							
13	SERVICE DISABLED VETERAN BUS. ENTER.	\$254,385	\$0	\$254,385	1.04%		0.55%
14							
15	NOT FOR PROFIT WORKSHOPS	\$0	\$0	\$0	0.00%		0.00%
16							
17	GRAND TOTAL	\$24,571,302	\$0	\$24,571,302	100.00%	\$45,987,027	53.43%
18							
19							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	DIVERSE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER PROCUREMENT	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER (\$) TO TOTAL UTILITY PROCUREMENT Col. (E) / Col. G
20	SYSTEM WIDE			COLS. (C) + (D)	\$ / TOTAL COL. (E)		
21	DC based Certified Business Enterprises (CBE) (Definition: DBE, DZE, ROB, SBE, LBE, LRB)	\$13,765,799	\$0	\$13,765,799			
22							
23	TOTAL DC BASED CBE	\$13,765,799	\$0	\$13,765,799		\$45,987,027	29.93%
24							
25							
26							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	DIVERSE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER PROCUREMENT	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER (\$) TO TOTAL UTILITY PROCUREMENT Col. (E) / Col. G
27	DISTRICT OF COLUMBIA			COLS. (C) + (D)	\$ / TOTAL COL. (E)		
28	DC based Certified Business Enterprises (CBE) (Definition: DBE, DZE, ROB, SBE, LBE, LRB) * (3)						
29	DBE- Disadvantaged Business Enterprise	\$0.00	\$0.00	\$0.00			
30	DZE - Local Business Enterprise w/ Principal Office Located in An Enterprise Zone	\$0.00	\$0.00	\$0.00			
31	ROB - Resident-Owned Business	\$0.00	\$0.00	\$0.00			
32	SBE - Small Business Enterprise	\$0.00	\$0.00	\$0.00			
33	LBE - Local Business Enterprise	\$13,765,799	\$0.00	\$13,765,799			
34	LRB - Longtime Resident Business	\$0.00	\$0.00	\$0.00			
35							
36	TOTAL DC BASED CBE	\$13,765,799	\$0.00	\$13,765,798.83		\$45,987,027	29.93%
Footnotes:							
(1) Total Utility Procurement = Total Procurement spend - Schedule 1							
(2) Total DC Utility Procurement = Total Procurement spend - spend on schedule 1 * % meters/customers in the District of Columbia.							
(3) Calculations in lines 25-30 only report spend once for any vendor who qualifies in multiple categories. Vendor should be listed in the category assigned the most preference points.							

ATTACHMENT A-2 by NAICS Codes										
			UTILITY NAME: Verizon							
			FOR THE REPORTING YEAR: 2019							
		RESULTS BY PRODUCT DESCRIPTIONS / NAICS CODES								
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
LINE #	NAICS #	PRODUCT/SERVICE DESCRIPTIONS BY NAICS CODE <sup>1, 2</sup>	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOPS	TOTAL DIVERSE SUPPLIER (\$) BY NAICS CODE	PERCENTAGE (%) TO TOTAL DIVERSE SUPPLIER (\$) BY NAICS	TOTAL UTILITY PROCUREMENT	PERCENTAGE OF DIVERSE SUPPLIER (\$) TO TOTAL UTILITY PROCUREMENT
			\$	\$	\$	\$	COLS. (D), (E), (F), and (G)	\$ / TOTAL COL. (H)	\$	COL. (I) \$ / TOTAL COL. (J)
1	237	Heavy and Civil Engineering Construction					\$0	0.0000%	\$4,354,085	0.00%
2	238	Specialty Trade Contractors	\$159,293				\$159,293	0.6483%	\$2,394,894	6.65%
3	323	Printing and Related Support Activities					\$0	0.0000%	\$2,246	0.00%
4	327	Nonmetallic Mineral Product Manufacturing					\$0	0.0000%	\$30,845	0.00%
5	334	Computer and Electronic Product Manufacturing	\$266,507				\$266,507	1.0846%	\$1,049,587	25.39%
6	335	Electrical Equipment, Appliance, and Component Manufacturing					\$0	0.0000%	\$412,994	0.00%
7	423	Merchant Wholesalers, Durable Goods		\$3,535,496			\$3,535,496	14.3887%	\$3,625,436	97.52%
8	443	Electronics and Appliance Stores	\$6,020				\$6,020	0.0245%	\$6,020	100.00%
9	484	Truck Transportation					\$0	0.0000%	\$10,043	0.00%
10	488	Support Activities for Transportation					\$0	0.0000%	\$212,585	0.00%
11	492	Couriers and Messengers					\$0	0.0000%	\$6,105	0.00%
12	515	Broadcasting (except Internet)					\$0	0.0000%	\$452	0.00%
13	517	Telecommunications		\$1,951,363			\$1,951,363	7.9416%	\$6,346,162	30.75%
14	524	Insurance Carriers and Related Activities	\$6,151				\$6,151	0.0250%	\$49,077	12.53%
15	541	Professional, Scientific, and Technical Services	\$13,835,726	\$21,143	\$254,385		\$14,111,253	57.4298%	\$21,008,322	67.17%
16	561	Administrative and Support Services		\$4,528,066			\$4,528,066	18.4283%	\$4,539,851	99.74%
17	811	Repair and Maintenance		\$7,152			\$7,152	0.0291%	\$36,346	19.68%
18	333	Machinery Manufacturing					\$0	0.0000%	\$21,830	0.00%
19	332	Fabricated Metal Product Manufacturing					\$0	0.0000%	\$276	0.00%
20	531	Real Estate					\$0	0.0000%	\$1,033,025	0.00%
21	454	Nonstore Retailers					\$0	0.0000%	\$84	0.00%
22	813	Religious, Grantmaking, Civic, Professional, and Similar Organizations					\$0	0.0000%	\$80	0.00%
23	551	Management of Companies and Enterprises					\$0	0.0000%	\$736,222	0.00%
24	532	Rental and Leasing Services					\$0	0.0000%	\$1,833	0.00%
25	523	Securities, Commodity Contracts, and Other Financial Investments and Related Activities					\$0	0.0000%	\$35	0.00%
26	482	Rail Transportation					\$0	0.0000%	\$1,100	0.00%
27	442	Furniture and Home Furnishings Stores					\$0	0.0000%	\$9,659	0.00%
28	331	Primary Metal Manufacturing					\$0	0.0000%	\$71,423	0.00%
29	315	Apparel Manufacturing					\$0	0.0000%	\$11,775	0.00%
30	236	Construction of Buildings					\$0	0.0000%	\$14,636	0.00%
31		Totals	\$14,273,697	\$10,043,221	\$254,385		\$24,571,302	100.00%	\$45,987,027	53.43%
32										
33		RESULTS BY PRODUCT DESCRIPTIONS / NAICS CODES								
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
LINE #	NAICS #	PRODUCT/SERVICE DESCRIPTIONS BY NAICS CODE <sup>1, 2</sup>	DC Certified Business Enterprises (CBE)				TOTAL CBE SUPPLIER (\$) BY NAICS CODE	PERCENTAGE (%) TO TOTAL CBE SUPPLIER (\$) BY NAICS	TOTAL UTILITY PROCUREMENT	PERCENTAGE OF CBE SUPPLIER (\$) TO TOTAL UTILITY PROCUREMENT
34							COLS. (D), (E), (F), and (G)	\$ / TOTAL COL. (H)		COL. (I) \$ / TOTAL COL. (J)
35			\$				\$	%		%
36	237	Heavy and Civil Engineering Construction					\$0	0.0000%	\$4,354,085	0.00%
37	238	Specialty Trade Contractors					\$0	0.0000%	\$2,394,894	0.00%
38	323	Printing and Related Support Activities					\$0	0.0000%	\$2,246	0.00%
39	327	Nonmetallic Mineral Product Manufacturing					\$0	0.0000%	\$30,845	0.00%
40	334	Computer and Electronic Product Manufacturing					\$0	0.0000%	\$1,049,587	0.00%
41	335	Electrical Equipment, Appliance, and Component Manufacturing					\$0	0.0000%	\$412,994	0.00%
42	423	Merchant Wholesalers, Durable Goods					\$0	0.0000%	\$3,625,436	0.00%
43	443	Electronics and Appliance Stores					\$0	0.0000%	\$6,020	0.00%
44	484	Truck Transportation					\$0	0.0000%	\$10,043	0.00%
45	488	Support Activities for Transportation					\$0	0.0000%	\$212,585	0.00%
46	492	Couriers and Messengers					\$0	0.0000%	\$6,105	0.00%
47	515	Broadcasting (except Internet)					\$0	0.0000%	\$452	0.00%
48	517	Telecommunications					\$0	0.0000%	\$6,346,162	0.00%
49	524	Insurance Carriers and Related Activities					\$0	0.0000%	\$49,077	0.00%
50	541	Professional, Scientific, and Technical Services	\$13,765,799				\$13,765,799	100.0000%	\$21,008,322	65.53%
51	561	Administrative and Support Services					\$0	0.0000%	\$4,539,851	0.00%
52	811	Repair and Maintenance					\$0	0.0000%	\$36,346	0.00%
53	333	Machinery Manufacturing					\$0	0.0000%	\$21,830	0.00%
54	332	Fabricated Metal Product Manufacturing					\$0	0.0000%	\$276	0.00%
55	531	Real Estate					\$0	0.0000%	\$1,033,025	0.00%
56	454	Nonstore Retailers					\$0	0.0000%	\$84	0.00%
57	813	Religious, Grantmaking, Civic, Professional, and Similar Organizations					\$0	0.0000%	\$80	0.00%
58	551	Management of Companies and Enterprises					\$0	0.0000%	\$736,222	0.00%
59	532	Rental and Leasing Services					\$0	0.0000%	\$1,833	0.00%
60	523	Securities, Commodity Contracts, and Other Financial Investments and Related Activities					\$0	0.0000%	\$35	0.00%
61	482	Rail Transportation					\$0	0.0000%	\$1,100	0.00%
62	442	Furniture and Home Furnishings Stores					\$0	0.0000%	\$9,659	0.00%
63	331	Primary Metal Manufacturing					\$0	0.0000%	\$71,423	0.00%
64	315	Apparel Manufacturing					\$0	0.0000%	\$11,775	0.00%
65	236	Construction of Buildings					\$0	0.0000%	\$14,636	0.00%
66		Totals	\$13,765,799				\$13,765,799	100.00%	\$45,987,027	29.93%

[illegible]

<b>ATTACHMENT A-3 Diverse Supplier Goal to Results</b>				
	<b>UTILITY NAME:</b>	Verizon		
	<b>FOR THE REPORTING YEAR:</b>	2019		
<b>(A)</b>	<b>(B)</b>	<b>(C)</b>	<b>(D)</b>	<b>(E)</b>
<b>LINE #</b>	<b>DESCRIPTION</b>	<b>ACTUAL CURRENT YEAR RESULTS (\$)</b>	<b>CURRENT YEAR GOALS (\$)</b>	<b>ACTUAL VS GOAL (%)</b>
				Column (C/D)
1	MINORITY BUSINESS ENTERPRISE	\$14,273,697	\$1,800,000	793%
2				
3	WOMEN OWNED BUSINESS ENTERPRISE	\$10,043,221	\$720,000	1395%
4				
5	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	\$254,385	\$360,000	71%
6				
7	NOT FOR PROFIT WORKSHOPS			
8				
9				
10				
11	TOTAL	\$24,571,302	\$2,880,000	853%
12				
13	DC Based Certified Business Enterprises (CBE)	\$13,765,799	\$360,000	3824%
14				
15	TOTAL	\$13,765,799	\$360,000	3824%

## ATTACHMENT B

This portion contains information which Verizon DC alleges to be proprietary. Please contact Verizon DC for an appropriate proprietary agreement or file with the Commission for a Proprietary Information Determination. Parties may seek a Commission ruling on contention at any time in this proceeding.

ATTACHMENTS C-1, C-2, C-3

Supplier Diversity Annual Report of  
Short-Term Goals

ATTACHMENT C-1 Short Term Goals								
	UTILITY NAME:	Verizon						
	FOR THE REPORTING YEAR:	2019						
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Year	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOP	(\$) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
					F=G*H	G=B+C+D+E		I=F/H
2020	5%	2%	1%	0%	\$2,880,000	8%	\$36,000,000	8%
Year	DC Based CBE				(\$) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
					F=G*H	G=B+C+D+E		I=F/H
2020	1.00%				\$360,000	1.00%	\$36,000,000	1.00%

Supplier Diversity Annual Report of  
Mid-Term Goals

ATTACHMENT C-2 Mid Term Goals								
	UTILITY NAME:	Verizon						
	FOR THE REPORTING YEAR:	2019						
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Year	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOP	(\$ ) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
					F=G*H	G=B+C+D+E		I=F/H
2022	5%	2%	1%	0%	\$2,880,000	8%	\$36,000,000	8%
Year	DC Based CBE				(\$ ) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
					F=G*H	G=B+C+D+E		I=F/H
2022	1.10%				\$396,000	1.10%	\$36,000,000	1.10%

Supplier Diversity Annual Report of  
Long Term Goals

ATTACHMENT C-3 Long Term Goals								
	UTILITY NAME:	Verizon						
	FOR THE REPORTING YEAR:	2019						
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Year	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOP	(\$ ) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
					F=G*H	G=B+C+D+E		I=F/H
2024	5%	2%	1%	0%	\$2,880,000	8%	\$36,000,000	8%
Year	DC Based CBE				(\$ ) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
					F=G*H	G=B+C+D+E		I=F/H
2024	1.20%				\$432,000	1.20%	\$36,000,000	1.20%

## ATTACHMENT D

This portion contains information which Verizon DC alleges to be proprietary. Please contact Verizon DC for an appropriate proprietary agreement or file with the Commission for a Proprietary Information Determination. Parties may seek a Commission ruling on contention at any time in this proceeding.