



Connect to People

How people use technology matters. Knowing the risks of texting while driving or how to use the Internet safely at any age can help us make better choices. Learn how we're helping to meet the diverse needs of technology consumers and fostering a workplace that supports all employees.



Supplier Diversity

Materiality Assessment Topics: Supplier diversity

Issue Summary

A diverse supply chain enriches companies by bringing different perspectives, skills and ideas that enhance business success.

Our Position

Diverse businesses bring unique skills and fresh ideas, and they play a vital role in delivering the services, value and innovation necessary to serve our customers. By respecting and including different viewpoints, we are better able to serve our customers, employees and communities.

We are committed to promoting, increasing and improving the overall participation of minority-, women-, service-disabled veteran- and LGBT-owned business enterprises by purchasing their materials and services. We also encourage subcontracting opportunities for these businesses by requiring supplier diversity participation from prime suppliers.

Data Highlights

2017 Key Performance Indicators

- Spend with minority-, women-, service-disabled veteran- and LGBT-owned business enterprises: **\$14.4B**
- Percent of total spend with minority-, women-, service-disabled veteran- and LGBT-owned business enterprises: **25.22%**¹



Our Action

For 50 years, the AT&T Global Supplier Diversity organization has connected certified diverse minority-, women-, service-disabled veteran- and LGBT-owned business enterprises with opportunities to provide products and services to AT&T around the world. We believe diverse suppliers bring value to our company through their unique skills and innovative ideas. Their efforts help us deliver world-class products and services to meet our customers' diverse needs.

Supplier Diversity program managers are dedicated to working with our sourcing teams and business units to identify specific areas of opportunity and include diverse businesses in competitive bids. In addition, our robust supplier program ensures diverse suppliers are identified, considered and mentored throughout the sourcing process. New and emerging technology has consistently been critical to AT&T business initiatives. We've made targeted efforts to ensure that diverse businesses are part of our transformation.

Our program is structured around internal and external initiatives and is guided by 4 areas of focus:

1. **Strategic Supplier Outreach:** Our strategic outreach involves interviewing prospective suppliers at regional and national supplier diversity events and sharing important information and criteria about doing business with AT&T. We work with several diversity business organizations for targeted supplier identification. In 2017, AT&T executives and managers sponsored and/or participated in roughly 120 supplier diversity outreach events and meetings in 22 states, including the District of Columbia.
2. **Diverse Supplier Advocacy:** We advocate for current and prospective diverse suppliers in their quest to provide products and services to AT&T. In our advocacy, we work closely with our sourcing organization, business unit partners and prime suppliers to identify and influence opportunities for consideration and inclusion of diverse suppliers.
3. **Engaging Our Prime Suppliers:** We focus on working with our prime suppliers to encourage and assist them to maximize their use of diverse suppliers as subcontractors. Key to this effort are our requirements that prime suppliers provide an annual plan outlining their proposed use of diverse suppliers and report their diversity subcontracting spend monthly.
4. **Business Development and Education:** We provide opportunities for diverse suppliers to participate in executive education and training programs through the sponsorship of formal mentoring and business development programs. We also host and participate in workshops, seminars and 1-on-1 counseling sessions.

AT&T Executive Education Program



AT&T continues to offer executive-level scholarships to diverse suppliers as part of our commitment to provide educational support to diverse-owned businesses. In 2017, our Executive Scholarship Program sponsored multiple suppliers to participate in executive entrepreneurship training at major universities. The programs provide the latest techniques in operational excellence through lectures and expert coaching on the following subjects:

- Building capacity and sustainability for the future;
- Adjustment of operations;
- Improving company effectiveness;
- Creating a strong business in a rapidly changing environment; and
- Communicating company vision and inspiring the team.

AT&T Business Growth Acceleration Program (BGAP)

AT&T funded and executed BGAP, an intensive 6-month educational curriculum for a select group of qualified, certified minority business leaders, including veterans. BGAP incorporates real-world business knowledge with 1-on-1 virtual mentoring sessions to support and address participants' specific business situations. The series provides traditional executive training modules that cover a wide range of topics, such as building a solid financial structure, developing a business plan and fostering techniques that improve operational efficiencies, with the intent to strengthen participants' abilities to win corporate contracts. The practical, hands-on learning approach, coupled with mentoring from industry experts around the country, has enabled each student to immediately apply concepts learned to address individual business challenges. Participants also meet other peers, mentors, instructors and sponsors for the opportunity to form partnerships and continued networking to ensure lasting organizational impact. At the end of 2017, AT&T Supplier Diversity awarded 10 minority businesses scholarships—40% went to service-disabled veteran-owned business enterprises.

AT&T Prime Supplier Program

Since 1989, the AT&T Prime Supplier program has been instrumental in helping our prime suppliers increase the use of minority-, women-, service-disabled veteran- and LGBT-owned business enterprises in their supply chains. The AT&T supplier diversity managers collaborate with our prime suppliers to create meaningful goals for the utilization of diverse suppliers, create detailed plans for utilizing diverse suppliers and encourage development of innovative solutions for improving and tracking diversity results. On a monthly basis, AT&T Supplier Diversity monitors the performance of our prime suppliers, identifies suppliers who are underperforming against their goals and implements action plans to help drive increased use of diverse suppliers.



In 2017, the AT&T Prime Supplier program continued its focus on increasing both overall results and the number of contracts awarded to diverse subcontractors.

AT&T Mobility Operations Support Team (MOST) Supplier Conference

The AT&T Supplier Diversity team partnered with the AT&T Mobility Operations Support Team (MOST) to conduct a comprehensive information session for small and diverse suppliers that provides critical information for the supplier onboarding process. To reach suppliers in multiple regions, the session was webcast from Atlanta and streamed to 5 viewing locations: Dallas; Chicago; Bedminster, N.J.; Hanover, Md.; and San Ramon, Calif.

AT&T Mobility Construction Conferences

We launched our 1st in a series of turf vendor (i.e., wireless infrastructure deployment vendors) subcontracting conferences in November 2017 in California. The conferences are designed to match diverse businesses with subcontracting opportunities with our tier-1 turf vendors in support of the AT&T mobility and broadband network construction buildouts. The conferences will be held in several regional locations across the country throughout 2018 and will provide learning opportunities on topics such as new site builds, wireless local loop and bandwidth expansion.

For more information about AT&T supplier events, visit our [Supporting Our Troops](#) issue brief.

External Recognition

We also are proud to have been recognized by several organizations in 2017, including:

- The National Minority Supplier Development Council as one of its Corporations of the Year;
- The National LGBT Chamber of Commerce as its Corporation of the Year; and
- The Women's Business Enterprise National Council with its Top Corporation Award.

For more information on AT&T supplier diversity initiatives, visit www.attsuppliers.com/sd.

¹ Supplier diversity spend and performance excludes content and programing spend.