



9656 S. Prosperity Rd.
West Jordan, UT 84088

Rex Knowles
Director, State & Local Government Affairs
(801) 280-7510
rex.knowles@verizon.com

March 17, 2023

VIA E-MAIL

Ms. Rachel Peterson, Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

RE: **Verizon 2022 General Order 156 Compliance Filing - Annual Report and Annual Plan**

Dear Ms. Peterson:

Pursuant to General Order 156, Verizon hereby submits its 2022 Annual Report and Annual Plan. The Annual Report also includes the Annual Revenue Report which contains the aggregate number of Women, Minority, Disabled Veteran Business Enterprise, and Lesbian, Gay, Bisexual, and Transgender Business Enterprises (WBE, MBE, DVBE and LGBTBE, respectively) suppliers that provide products or services to Verizon, based on revenue information obtained from the WMDVBE clearinghouse.

This report is being submitted on behalf of Verizon Wireless,¹ MCI Communications Services LLC d/b/a Verizon Business Services (U-5378-C) and XO Communications Services, LLC (U-5558-C). Operationally, Verizon Wireless, MCI Communications Services LLC and XO Communications Services, LLC are working on a consolidated basis.

This report is available to others upon request. Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

/s/ Rex Knowles

Rex Knowles
Director, State & Local Government Affairs

Enclosure

¹ The following entities do business in California as Verizon Wireless:

Alltel Corporation (U-3025-C)
AirTouch Cellular Inc. (U-3011-C)
California RSA. No. 4 Limited Partnership (U-3038-C)
Cellco Partnership (U-3001-C)
Fresno MSA Limited Partnership (U-3005-C)
GTE Mobilnet of California Limited Partnership (U-3002-C)
Los Angeles SMSA Limited Partnership (U-3003-C)
Pinnacles Cellular, Inc. (U-3028-C)
Redding MSA Limited Partnership (U-3091-C)
Sacramento-Valley Limited Partnership (U-3004-C)
Visible Services LLC (U-4516-C)
TracFone Wireless, Inc. (U-4231-C)



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

CPUC

January – December 2022

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

Table of Contents

GO 156 Section	Description	Page Number
	Introduction and Overview	3
Annual Report		
9.11	Description of supplier diversity program activities during the previous calendar year	4
9.12	Supplier Diversity Results by: ethnicity, direct and subcontractor procurement results by product/ service categories, SIC codes, number of diverse suppliers and revenue reported to the supplier clearinghouse, description of number of diverse suppliers with California majority workforce	8
9.13	Supplier diversity program expenses	14
9.14	Description of progress in meeting or exceeding set goals Supplier diversity results compared to set goals.	13
9.15	Description of prime contractors utilization of diverse subcontractors Summary of prime contractors utilization of diverse subcontractors.	14
9.16	List of supplier diversity complaints received and current status	15
9.17	Description of efforts to recruit diverse suppliers in low utilization categories	16
9.19	Description of supplier diversity activities and progress in power (energy) procurement Supplier Diversity Results in Power (energy) procurement	22
9.1.11	Description of supplier diversity activities and progress in fuel procurement Supplier diversity results in fuel procurement	23
Annual Plan		
10.11	Supplier diversity short, mid and long-term procurement goals	24
10.12	Description of supplier diversity program activities planned for the next calendar year	24
10.13	Plans for recruiting diverse suppliers in low utilization categories	26

10.1.4	Plans for recruiting diverse suppliers where unavailable	27
10.1.5	Plans for encouraging prime contractors to subcontract with diverse suppliers	28
10.1.6	Plans for complying with supplier diversity program guidelines	28

INTRODUCTION

In accordance with the requirements of the California Public Utilities Commission, (CPUC) General Order 156, Verizon hereby electronically submits the attached Annual Report that covers supplier diversity activities and results from January 1, 2022 – December 31, 2022 and our 2023 Annual Plan.

OVERVIEW

Verizon's supplier diversity program aims to foster diverse supplier capabilities that helps us create the networks that move the world forward. A diverse supply chain enables us to deliver supply chain solutions that create great customer experiences. We know that accelerating diverse business development contributes to the prosperity of present and future supplier communities, fuels business growth and prioritizes economic parity.

In the following sections of this report, Verizon provides narratives, analytics and reporting on each topic in Sections 9.1.1 through 10.1.6.

GO 156, §9.1.1: Description of supplier diversity program activities during the previous calendar year.**INTERNAL PROGRAM STRATEGIES AND ACTIVITIES****Fostering an Inclusive Supply Chain**

Verizon's longstanding commitment to fostering an inclusive supply chain dates back to our legacy companies and is embedded throughout our operations. Our short-term incentive plan for management employees has included a performance target related to supplier diversity for over 15 years.

Our supplier diversity framework is based on strong leadership and commitment at the top.

“Providing the best service on the best network means working with a diverse set of suppliers. Verizon is committed to supplier diversity and economic inclusion because it ensures our customers have access to superior service and experiences. A diverse and inclusive supply chain is not only the right thing to do, it's smart business.”

Hans Vestberg, Chairman & CEO
Verizon

Verizon's board of directors is one of the most diverse boards of the Fortune 100 companies. Seven out of 12 of the board of directors are either women and/or people of color. These directors are invested in our success and are responsible for approving our supplier diversity target on an annual basis. Our c-suite executives are also assigned supplier diversity targets annually and we track and report on our progress throughout the year.

Our supplier diversity team is our center of excellence, and is focused on executing our strategy in collaboration with our network of “champions” from across the enterprise. The supplier diversity team sets internal supplier diversity targets, manages our supplier diversity program goals and reporting obligations, implements training and education sessions for employees and suppliers and monitors progress toward achieving our goals. Throughout the year, our supplier diversity team partners closely with our sourcing organization to confirm suppliers from traditionally underrepresented, disadvantaged or minority groups are positioned to compete for new contracts and opportunities. The Sourcing organization is assigned a supplier diversity target annually.

In 2022 Verizon launched an enterprise-wide, on-line supplier diversity training course in our learning portal to reinforce our commitment to diverse supplier inclusivity. This training is mandatory for sourcing and designated Verizon Business Group employees.

Our supplier diversity champions participate in regular touch point meetings to keep apprised of developments in our supplier diversity program and receive updates on innovative actions and practices implemented in our business units that help drive successful outcomes for diverse suppliers.

Through these training and awareness initiatives we equip our employees with the tools needed to collaborate effectively with employees and diverse businesses, to help identify new

partnership opportunities and to grow successful and innovative diverse suppliers that help accelerate our growth.

Verizon shares our commitment to diversity and inclusion with our non-diverse suppliers (prime suppliers). Our procurement contracts request that prime suppliers commit to award work to qualified diverse suppliers that are certified through a Verizon recognized third-party diverse certification organization, report tier 2 spend to us in our tier 2 spend portal on a quarterly basis and deliver improvement in diverse spend year-over-year.

Verizon implemented a Supplier Diversity Playbook for Prime Suppliers in 2022. This playbook was designed as a resource to provide a call to action and an “action blueprint” for supplier diversity. [Prime Supplier Playbook](#)

GO 156, §9.1.1: Description of supplier diversity program activities during the previous calendar year.

EXTERNAL PROGRAM STRATEGIES AND ACTIVITIES

Key External Partnerships

Verizon engaged in various partnerships and programs to support small, diverse businesses.

Verizon is a charter member of the Billion Dollar Roundtable (BDR), a coalition formed in 2001 of companies that spend more than \$1 billion in direct procurement every year with diverse businesses. The supplier diversity team attended the Billion Dollar Roundtable Summit in August 2022.

Verizon's Small Business Digital Ready Program is part of our Citizen Verizon commitment to help small businesses succeed in the digital economy by providing free-online resources. Small and diverse businesses can engage in learning modules, peer networking and receive expert coaching and mentoring. There were more than 15,000 California small businesses onboarded to the Small Business Digital Ready platform in 2022. Participants who register and complete two courses or mentoring events will also be eligible to apply for grant funding exclusive to users of Small Business Digital Ready. Our grants are in the range of \$10,000 and are for those small businesses that can use additional sources of funding. These grants are predominantly provided to diverse businesses. In California, for 2022, 86% of the small business grant awardees were black, indigenous, or people of color; 71% of the grant awardees were women; and 6% had veteran-status. The Small Business Digital Ready platform also offers educational webinars for small diverse businesses. Verizon's Global Head of Supplier Diversity conducted two webinars on “How to do business with large corporations” in 2022.

Verizon has pledged support and we are participating in the Women's Business Enterprise National Council's Women of Color Incubator program. This six-week program is specifically

designed for Black female student entrepreneurs at Historically Black Colleges and Universities. The program provides the next generation of Black women entrepreneurs with resources, community and support to grow their early-stage ventures.

Verizon sponsored the National Minority Supplier Development Council's Emerging Young Entrepreneurs program. This 12-month program provides young entrepreneurs with educational support, tools and strategies to grow their business.

Verizon is actively engaged in the Small Business Administration's Mentor-Protégé program where we are currently mentoring a small service-disabled veteran owned business.

Our support for economic inclusion includes contributing grants that provide diverse businesses with access to capital through the Business Consortium Fund. The Business Consortium Fund provides comprehensive financing and technical support and has a long history of serving businesses certified by the National Minority Supplier Development Council, i.e., NMSDC Website: [BCF](#)

Verizon offers suppliers access to Citi® Sustainable Supply Chain Finance program which is designed to help suppliers improve working capital by, potentially, turning receivables into cash faster. Through this program, we have extended attractive financing rates specifically for smaller diverse suppliers. The program can offer the following benefits:

- Enhanced payment visibility
- Improved payment cycles
- Accelerated cash collection
- Reduced financing costs
- Increased liquidity

In 2022, Verizon hosted a virtual event with Verizon business leaders, our diverse supplier KGPCo (woman-owned & certified by the CPUC) and the US Black Chambers, Inc. on a relevant topic for many businesses, the importance of building sustainable, diverse, and resilient supply chains.

We engaged in the National LGBT, Wireless Infrastructure Association, Disability:IN and USHCC virtual matchmaking sessions held during their annual conferences.

We participated on a panel hosted by Rutgers University on driving economic development and how small businesses can improve their digital technology at Rutgers' Digital Supply Chain and Supplier Diversity Conference

External Communications

We are proud to have earned numerous diversity and inclusion awards and recognition in 2022.

- Among the 2022 Best Companies for Multicultural Women For the 17th year, Verizon is proud to be recognized as a Top Company for Multicultural Women by Seramount.
- 2022- For the 7th year, Verizon has been awarded a perfect score of 100% by Disability:In for practices and policies in support of employees with disabilities, customers, suppliers, and communities.
- Verizon Communications is a Top 100 performer in the JUST Capital 2022 Workforce Equity and Mobility Ranking.

- We were honored as a 2022 VETS Indexes 5 Star Employer by VETS Indexes – for our commitment to recruiting, hiring, retaining, developing, and supporting veterans and the military-connected community.
- We received 5 stars on governance and employment and 4 stars in procurement and philanthropy in the 2022 Hispanic Association of Corporate Responsibility (HACR) Inclusion Index (September 2022).
- Verizon was recognized by WBENC as one of the Top Corporations of the Year for supporting women-owned businesses 14 years in a row.
- We were recognized as having one of the top supplier diversity programs for veterans in 2022 by U.S. Veterans Magazine.

See our [Recognition and Awards](#) page to learn more.

Verizon provides valuable information to diverse businesses through our supplier diversity website at the following URL: [Verizon Supplier Diversity](#) This information includes requirements for diverse suppliers, list of our third- party certification partners, information regarding our tier 2 program, our standards and answers to frequently asked questions as well as links to our social media channels. In addition, we provide an email address as a communication tool for diverse businesses to contact our supplier diversity team for more information about our program and for support.

GO 156 §9.1.2: Supplier Diversity Results by: ethnicity, direct and subcontractor procurement results by product/ service categories, SIC codes, number of diverse suppliers and revenue reported to the supplier clearinghouse, description of number of diverse suppliers with California majority workforce.

Supplier Diversity Annual Results by Ethnicity:¹

Supplier Diversity Annual Report and Annual Plan

Verizon Communications Inc.		Report Year: 2022	GO 156 Section 9.1.2			
Supplier Diversity Results by Ethnicity						
		2022 of Report				
		Direct Spend ¹ \$	Sub Spend ² \$	Total \$	%	
1	Minority Male	African American	\$32,750,382.60	\$14,189,447.04	\$46,939,829.64	1.34%
2		Asian Pacific American	\$205,259,821.76	\$84,711,877.41	\$289,971,699.17	8.28%
3		Hispanic American	\$13,863,508.83	\$21,187,495.40	\$35,051,004.23	1.00%
4		Native American	\$102,194.72	\$825,543.43	\$927,738.15	0.03%
5		Total Minority Male	\$251,975,907.91	\$120,914,363.28	\$372,890,271.19	10.65%
6	Minority Female	African American	\$0.00	\$3,263,803.17	\$3,263,803.17	0.09%
7		Asian Pacific American	\$10,136,768.88	\$21,168,457.34	\$31,305,226.23	0.89%
8		Hispanic American	\$14,610,912.19	\$61,583,034.49	\$76,193,946.68	2.18%
9		Native American	\$3,279.78	\$0.00	\$3,279.78	0.00%
10		Total Minority Female	\$24,750,960.85	\$86,015,295.00	\$110,766,255.86	3.16%
11	Total Minority Business Enterprise (MBE)		\$276,726,868.77	\$206,929,658.28	\$483,656,527.05	13.82%
12	Women Business Enterprise (WBE)		\$30,521,897.49	\$35,749,573.59	\$66,271,471.08	1.89%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0.00	\$0.00	\$0.00	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		\$2,170,956.59	\$6,217,263.75	\$8,388,220.34	0.24%
15	Persons with Disabilities Business Enterprise (PDBE)		\$0.00	\$0.00	\$0.00	0.00%
16	8(a)*		\$0.00	\$0.00	\$0.00	0.00%
17	Total Supplier Diversity Spend		\$309,419,722.85	\$248,896,495.62	\$558,316,218.47	15.95%
18	Net Procurement**		\$3,500,554,824.34			

NOTES:

* 8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTBPDDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).
 ** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

¹ Direct - Means Direct Procurement: when a utility directly procures from a supplier.
² Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).
 % - Percentage of Net Procurement.

Totals may not add due to rounding.

¹The Purchase Base and diverse supplier spending dollar amounts shown in the table are derived from a national system and are not limited to Verizon spending for business activity in California and are inclusive of amounts spent with all diverse suppliers certified with the Clearinghouse regardless of location.

Supplier Diversity Direct Procurement by Product and Service Categories:

Supplier Diversity Annual Report and Annual Plan

Page 3

Verizon Communications Inc		Report Year: 2022				GO 156 Section 9.1.2			
Supplier Diversity Direct Procurement Results by Product and Service Categories									
				2022 of Report					
				Product		Service		Total	
				\$	%	\$	%	\$	%
1	Minority Male	African American	Direct	\$32,523,912.60	1.54%	\$226,489.99	0.02%	\$32,750,382.60	0.94%
2		Asian Pacific American	Direct	\$87,432,519.96	3.20%	\$137,827,301.80	9.89%	\$205,259,821.76	5.88%
3		Hispanic American	Direct	\$13,852,166.07	0.66%	\$11,342.76	0.00%	\$13,863,508.83	0.40%
4		Native American	Direct	\$0.00	0.00%	\$102,194.72	0.01%	\$102,194.72	0.00%
5		Total Minority Male	Direct	\$113,808,598.63	5.40%	\$138,167,309.28	9.92%	\$251,975,907.91	7.20%
6	Minority Female	African American	Direct	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
7		Asian Pacific American	Direct	\$4,348,618.76	0.21%	\$5,788,150.12	0.42%	\$10,136,768.88	0.29%
8		Hispanic American	Direct	\$9,165,392.23	0.43%	\$5,445,519.96	0.39%	\$14,610,912.19	0.42%
9		Native American	Direct	\$3,279.78	0.00%	\$0.00	0.00%	\$3,279.78	0.00%
10		Total Minority Female	Direct	\$13,517,290.77	0.64%	\$11,233,670.08	0.81%	\$24,750,960.85	0.71%
11	Total Minority Business Enterprise (MBE)		Direct	\$127,325,889.40	6.04%	\$149,400,979.36	10.72%	\$276,726,868.77	7.91%
12	Women Business Enterprise (WBE)		Direct	\$26,124,893.83	1.24%	\$4,397,003.66	0.32%	\$30,521,897.49	0.87%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBT)		Direct	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		Direct	\$234,020.35	0.01%	\$1,936,936.24	0.14%	\$2,170,956.59	0.06%
15	Persons with Disabilities Business Enterprise (DBE)		Direct	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
16	8(a)*		Direct						
17	Total Supplier Diversity Spend		Direct	\$153,684,803.58	7.29%	\$155,734,919.26	11.18%	\$309,419,722.85	8.84%
18	Net Procurement**					\$3,500,554,824.34			
19	Net Product Procurement				\$2,107,229,190.67				
20	Net Service Procurement				\$1,393,313,457.13				
21	Total Number of Diverse Suppliers that Received Direct Spend							62	

NOTES:

* 8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLTPOBE.

Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).

** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

1 Direct - Means Direct Procurement: when a utility directly procures from a supplier.

2 Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).

% - Percentage of Net Procurement.

Totals may not add due to rounding.

Supplier Diversity Subcontractor Procurement by Product and Service Categories:

Supplier Diversity Annual Report and Annual Plan

Verizon Communications Inc	Report Year: 2022	GO 156 Section 9.1.2
Supplier Diversity Subcontractor Procurement Results by Product and Service Categories		

				2022 of Report					
				Product		Service		Total	
				\$	%	\$	%	\$	%
1	Minority Male	African American	Sub	\$14,189,403.99	0.67%	\$43.05	0.00%	\$14,189,447.04	0.41%
2		Asian Pacific American	Sub	\$84,711,877.41	4.02%	\$0.00	0.00%	\$84,711,877.41	2.42%
3		Hispanic American	Sub	\$21,121,437.80	1.00%	\$66,057.60	0.00%	\$21,187,495.40	0.61%
4		Native American	Sub	\$825,543.43	0.04%	\$0.00	0.00%	\$825,543.43	0.02%
5		Total Minority Male	Sub	\$120,848,262.63	5.73%	\$66,100.65	0.00%	\$120,914,363.28	3.45%
6	Minority Female	African American	Sub	\$3,263,803.17	0.15%	\$0.00	0.00%	\$3,263,803.17	0.09%
7		Asian Pacific American	Sub	\$21,168,457.34	1.00%	\$0.00	0.00%	\$21,168,457.34	0.60%
8		Hispanic American	Sub	\$61,583,034.49	2.92%	\$0.00	0.00%	\$61,583,034.49	1.76%
9		Native American	Sub	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
10		Total Minority Female	Sub	\$86,015,295.00	4.08%	\$0.00	0.00%	\$86,015,295.00	2.46%
11	Total Minority Business Enterprise (MBE)		Sub	\$206,863,557.63	9.82%	\$66,100.65	0.00%	\$206,929,658.28	5.91%
12	Women Business Enterprise (WBE)		Sub	\$35,747,883.63	1.70%	\$1,689.96	0.00%	\$35,749,573.59	1.02%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		Sub	\$5,692,625.38	0.27%	\$524,638.37	0.04%	\$6,217,263.75	0.18%
15	Persons with Disabilities Business Enterprise (DBE)		Sub	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
16	8(a)*		Sub	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
17	Total Supplier Diversity Spend		Sub	\$248,304,066.64	11.78%	\$592,428.98	0.04%	\$248,896,495.62	7.11%
18	Net Procurement**							\$3,500,554,824.34	
19	Net Product Procurement							\$2,107,229,190.67	
20	Net Service Procurement							\$1,393,313,457.13	

NOTES:

* 8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDV/LGBT/PDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11825 (GO 156 Section 1.3.13).
 ** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

1 Direct - Means Direct Procurement: when a utility directly procures from a supplier.
 2 Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).
 % - Percentage of Net Procurement.

Totals may not add due to rounding.

Supplier Diversity procurement by standard industrial categories (SIC) codes:

Verizon Communications Inc.		Report Year: 2022										GO 156 Section 9.1.2				
SIC Code	African American		Asian Pacific American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	8(a)*	Total Supplier Diversity Spend	Total Procurement
	Male	Female	Male	Female	Male	Female	Male	Female								
14	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 25,208.88	\$ 1,242,843.71	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 1,267,852.59	\$ 11,267,873.85
16	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 23,897.57	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 23,897.57	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 23,897.57	\$ 74,763,137.42
17	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 13,266.92	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 13,266.92	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 13,266.92	\$ 55,855,571.13
23	\$ 13,441.70	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 350,310.1	\$ 18,899.50	\$ 0.00%	\$ 0.00%	\$ 3,279.13	\$ 325,889.06	\$ 21,594,952.55	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 21,608,393.69	\$ 38,725,234.89
33	\$ 32,456,821.97	\$ 0.00%	\$ 250,000.00	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 32,705,621.97	\$ 669,560.31	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 33,065,182.27	\$ 24,303,426.17
39	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 197,343.94
42	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 4,142,992.3	\$ 119,549.74	\$ 0.00%	\$ 0.00%	\$ 4,162,500.82	\$ 1,513,851.04	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 5,676,351.76	\$ 4,688,250.13
48	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3,211,807.15	\$ 52,694.14	\$ 7,603,884.02	\$ 0.00%	\$ 0.00%	\$ 11,188,643.31	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 11,188,643.31	\$ 97,238,158.82
49	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 264,018.58	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 264,018.58	\$ 1,109,974.46
50	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 80,008,893.76	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 80,008,893.76	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 80,227,396.60	\$ 209,451,318.63
51	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 28,729.26
54	\$ 54,846.84	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 206,985.8	\$ 71,915.11	\$ 0.00%	\$ 0.00%	\$ 332,127.72	\$ 1,348,044.02	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 1,700,171.72	\$ 298,739,470.39
55	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3,091,729.06	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3,091,729.06	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 3,091,729.06	\$ 181,515.54
58	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 139,131,472.23	\$ 47,897.20	\$ 11,342.70	\$ 0.00%	\$ 0.00%	\$ 139,417,182.18	\$ 531,468.69	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 139,948,650.87	\$ 584,027,398.24
73	\$ 0.01%	\$ 0.00%	\$ 3.89%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 23.42%	\$ 18,700.00
81	\$ 0.00%	\$ 0.00%	\$ 1.89%	\$ 0.00%	\$ 1,895,928.87	\$ 6,740,252.0	\$ 6,445,519.99	\$ 102,184.0	\$ 0.00%	\$ 12,863,797.18	\$ 3,865,539.97	\$ 0.00%	\$ 1,929,892.24	\$ 0.00%	\$ 18,786,270.39	\$ 448,131,093.31
Other	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 1,828,210,947.80
Total	\$ 32,750,382.20	\$ 0.00%	\$ 209,259,821.79	\$ 110,138,798.13	\$ 133,883,208.0	\$ 14,810,512.19	\$ 102,184.72	\$ 3,279.13	\$ 279,748,586.77	\$ 30,921,897.49	\$ 0.00%	\$ 2,170,958.50	\$ 0.00%	\$ 30.00%	\$ 309,419,729.85	\$ 3,500,554,824.34
Net Procurement	\$3,500,554,824.34															

NOTES:
 * 8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDV/LGBT/DBE Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).
 ** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

1 Direct - Means Direct Procurement, when a utility directly procures from a supplier.
 2 Sub - Means Subcontractor Procurement, when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).
 % - Percentage of Net Procurement.

Totals may not add due to rounding.

Number of diverse suppliers and revenue reported to the Clearinghouse:

Verizon Communications Inc.		Report Year: 2022										GO 156 Section 9.1.2		
Number of Diverse Suppliers and Revenue Reported to the Supplier Clearinghouse														
Number of Diverse Suppliers	Revenue Reported to the Supplier Clearinghouse							Utility-Specific 2022 Summary						
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	8(a)*	Total	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	8(a)*	Total
Under \$1 million	3	0	0	0	0	0	3	26	13	0	2	0	0	41
Under \$5 million	8	1	0	0	0	0	9	6	5	0	1	0	0	12
Under \$10 million	5	6	0	2	0	0	13	3	1	0	0	0	0	4
Above \$10 million	23	13	1	1	0	0	37	4	1	0	0	0	0	5
Total	39	20	0	3	0	0	62	39	20	0	3	0	0	62

Revenue of Diverse Suppliers	Revenue Reported to the Supplier Clearinghouse							Utility-Specific 2022 Summary						
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	8(a)*	Total	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	8(a)*	Total
Under \$1 million	\$1,001,038.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,001,038.00	\$4,101,713.96	\$5,409,160.31	\$0.00	\$234,020.35	\$0.00	\$0.00	\$9,744,894.62
Under \$5 million	\$18,304,602.00	\$4,837,378.00	\$0.00	\$0.00	\$0.00	\$0.00	\$23,141,980.00	\$12,296,681.37	\$9,782,632.79	\$0.00	\$1,936,936.24	\$0.00	\$0.00	\$34,016,250.40
Under \$10 million	\$44,122,096.00	\$40,419,704.00	\$0.00	\$15,230,000.00	\$0.00	\$0.00	\$99,771,800.00	\$18,361,285.44	\$5,199,977.91	\$0.00	\$0.00	\$0.00	\$0.00	\$23,561,263.35
Above \$10 million	\$18,739,141,095.17	\$3,427,383,841.00	\$0.00	\$11,870,000.00	\$0.00	\$0.00	\$22,217,075,536.17	\$241,955,011.46	\$10,130,129.48	\$0.00	\$0.00	\$0.00	\$0.00	\$23,085,537.94
Total	\$18,842,569,431.17	\$3,427,620,923.00	\$0.00	\$26,800,000.00	\$0.00	\$0.00	\$22,241,990,354.17	\$276,714,692.22	\$30,541,897.49	\$0.00	\$2,170,958.59	\$0.00	\$0.00	\$30,407,546.30

NOTES:
 * 8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDV/LGBT/DBE Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).
 ** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

Totals may not add due to rounding.

Description of number of diverse suppliers with California majority workforce:

Verizon does not track this information.

GO 156 §9.1.3: An itemization of supplier diversity program expenses.

Expense Category	2022 Actuals
Wages*	\$28,590.25
Other Employee Expense	\$0
CPUC Clearinghouse (2022)	\$33,562.37
Program Expense	N/A
Technical Assistance	N/A
Total	\$62,152.62

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

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

GO 156, § 9.1.4: Description of progress in meeting or exceeding set goals and supplier diversity results compared to set goals.

In 2022, Verizon spent 15.95% of its procurement dollars with women, minorities, disabled veterans, lesbian, gay, bisexual, and transgender-owned business enterprises (diverse suppliers).

Minority Business Enterprises (MBE)

MBE purchases accounted for \$483.7 million of total purchases in 2022. This resulted in a 13.82% MBE spend.

Women Business Enterprises (WBE)

WBE purchases accounted for \$66.27 million of total purchases in 2022. This resulted in a 1.89% WBE spend. However, the overall spend with minority women combined with WBEs is 5.06%.

Disabled Veteran Business Enterprises (DVBE)

DVBE purchases accounted for \$8.4 million of total purchases in 2022. This resulted in a 0.24% DVBE spend.

Lesbian, Gay, Bisexual, and Transgender Business Enterprises (LGBTBE)

Verizon had \$0 dollars in LGBTBE purchases in 2022. This resulted in a 0% LGBTBE spend, falling short of the 2022 goal of 0.02%.

Verizon Communications Inc.	Report Year: 2022	GO 156 Section 9.1.4
Supplier Diversity Results Compared to Set Goals		

Category	2022 Result %	2022 Goal%
Minority Male Business Enterprise	10.65%	0.00%
Minority Female Business Enterprise	3.16%	0.00%
Minority Business Enterprise (MBE)	13.82%	15.00%
Women Business Enterprise (WBE)	1.89%	5.00%
Lesbian, Gay, Bisexual, Transgender Business	0.00%	0.02%
Disabled Veteran Business Enterprise (DVBE)	0.24%	1.50%
Persons with Disabilities Business Enterprise	0.00%	0.00%
Total	15.95%	21.52%

NOTE:
% - Percentage of Net Procurement.

GO 156, § 9.1.5: Description of prime contractors utilization of diverse subcontractors
Summary of prime contractors utilization of diverse subcontractors.

In 2022, Verizon continued with our efforts of identifying direct and subcontracting opportunities to increase spend across numerous categories. This focus included partnering with business stakeholders, champions and sourcing to ensure our prime suppliers engaged with diverse suppliers in their procurement processes and reported their diversity spend to Verizon.

Our procurement contracts request that prime suppliers commit to awarding work to qualified diverse suppliers that are certified through a Verizon recognized third-party diverse certification organization, report tier 2 spend to us in our tier 2 spend portal on a quarterly basis and deliver improvement in diverse spend year-over-year.

Prime suppliers are directed to report their diversity spend in our tier 2 portal [Tier 2 Program](#). Prime suppliers reported second tier spend with diverse suppliers in the following categories:

[Note: Includes persons with disabilities business enterprises]

Supplier Diversity Annual Report and Annual Plan

Verizon Communications Inc.			Report Year: 2022						GO 156 Section 9.1.5	
Summary of Prime Contractors Utilization of Diverse Subcontractors										
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	8(a)*	Total Supplier Diversity Spend	
Direct \$	\$251,975,907.91	\$24,750,960.85	\$276,726,868.77	\$30,521,897.49	\$0.00	\$2,170,956.59	\$0.00	\$0.00	\$309,419,722.85	
Sub \$	\$120,914,363.28	\$86,015,295.00	\$206,929,658.28	\$35,749,573.59	\$0.00	\$6,217,263.75	\$0.00	\$0.00	\$248,896,495.62	
Total \$	\$372,890,271.19	\$110,766,255.86	\$483,656,527.05	\$66,271,471.08	\$0.00	\$8,388,220.34	\$0.00	\$0.00	\$558,316,218.47	
Direct %	7.20%	0.71%	7.91%	0.87%	0.00%	0.06%	0.00%	0.00%	8.84%	
Sub %	3.45%	2.46%	5.91%	1.02%	0.00%	0.18%	0.00%	0.00%	7.11%	
Total %	10.65%	3.16%	13.82%	1.89%	0.00%	0.24%	0.00%	0.00%	15.95%	
Net Procure	\$3,500,554,824.34									

NOTES:

* 8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDPBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).
 ** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

Direct - Means Direct Procurement: when a utility directly procures from a supplier.
 Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).
 % - Percentage of Net Procurement.

Totals may not add due to rounding.

GO 156, § 9.1.6: List of supplier diversity complaints received and current status

Verizon is proactive in resolving issues that arise as a result of direct or subcontracting relationships. There were no complaints filed with the Clearinghouse in 2022.

GO 156, § 9.1.7: Description of efforts to recruit diverse suppliers in low utilization categories

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

Given the technical nature of our business, changing business models, cost containment initiatives and supplier rationalizations, it can be a challenge to find diverse businesses with the scale and scope needed for our business.

We have leveraged technology to improve efficiencies and access to small diverse businesses.

- We have enhanced our SAP Ariba registration process to improve the registration experience and on-boarding process for our suppliers.
- Diverse suppliers have greater access and can contact our supplier diversity team with questions or for support via the supplier diversity email box located on our website.
- Our Small Business Digital Ready has curated content focused on helping small and diverse businesses thrive in the digital economy and grow their business.

In 2022, Verizon partnered with three minority and women owned firms as lead underwriters for our fourth green bond. This capital market transaction aligns with our long-standing commitment to drive both environmental and social progress as part of our responsible business plan, Citizen Verizon, empowering us to deliver on our mission to move the world forward by addressing pressing societal issues.

LEGAL SERVICES

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

Retention of Diverse Law Firm in California:

Verizon exercised its commitment to supporting diversity in the legal profession through its hiring of a diverse law firm in California. In 2021, Verizon retained Alvarado Smith, a law firm that is certified by the Clearinghouse as a Diverse Supplier, to represent Verizon in regulatory matters before the Commission. In retaining Alvarado Smith, Verizon has invested in training the law firm in the practice area of communications regulatory law, an area in which it had not previously established a practice.¹ These diverse lawyers at the firm continued to gain substantial regulatory law experience, and represented Verizon in a number of proceedings at the Commission.

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:

Verizon also has been working for many years to promote DEI in the legal profession in collaboration with our law firm suppliers. In 2022, we had a goal that, of the total annual fees billed across all outside counsel firms and all Verizon matters, at least 25% should be from attorneys who are people of color, LGBTQ+ or individuals with disabilities and at least 35% from gender diverse attorneys. For 2023, we have increased these targets to 27% and 37%, respectively. To support our diversity goal, we are focused on partnering with law firms that demonstrate a commitment to hiring, developing and supporting diverse attorneys and professionals. We collect and regularly review partner firms' diversity representation metrics, staffing across Verizon matters and other relevant information to evaluate the firms' DEI efforts and work together on opportunities for enhancement as appropriate.

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 Tymatrix 360 billing system. These fields must be completed to submit timekeeper rates and to bill timekeepers' time on

¹ Alvarado Smith merged with a non-diverse law firm (Frost Brown Todd in late 2022).

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 27% will be from Diverse attorneys, and in addition at least 37% 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.

On February 28th, 2023 the Verizon Law Firm and Supplier Diversity Committee presented the inaugural Verizon Law Firm IDEAward (recognizing excellence in Inclusion, Diversity and Equity) to Jackson Lewis, one of Verizon's law firm partners. This annual award recognizes law firms that excel in promoting, fostering, and leading diversity inclusion efforts and programs within their firm and the legal industry as a whole. In addition to Jackson Lewis, Verizon's recognized three other Diversity Champion law firms, Morgan, Lewis & Bockius LLP, McDermott Will & Emery, and Reed Smith LLP. The event featured an insightful panel discussion where we shared best practices, including programs and innovations designed to advance diversity, equity, inclusion and belonging. We look forward to next year's event and continued work to build and strengthen a more inclusive, diverse, and equitable legal profession!

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 McGuireWoods, LLP to create a similar LCLD Summer scholar program in Chicago beginning in the summer of 2020 and has developed partnerships with Pillsbury Withrop Shaw & Pittman LLP in New York. Our summer of 2022 class included four interns that were able to split their time between Verizon and these preferred law firm partners.

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 the 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. In 2022 we continued to connect diverse outside counsel talent with our in-house legal teams seeking to retain diverse outside counsel support. This year we featured speakers from a number of preferred partner firms including: Pillsbury Winthrop, McDermott Will & Emery, and Jenner & Block and plan to collaborate with additional partners throughout 2022.

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.

VZLIFT

Through our Verizon Legal Internship Forward Track (VZ LIFT) program we engage and recruit a diverse array of 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 work to collect and record their career successes. The program is for 10 weeks and is administered in five locations (Basking Ridge, NJ; Washington, DC; Irving, TX; Chicago, IL & San Francisco, CA). In 2022, we welcomed a class of 12 VZ LIFT interns that we introduced to the complex nature of in-house legal practice at Verizon.

HBCU Pre-law Program

In 2022, we developed a pre-law pipeline initiative designed to expose, educate, mentor and train college students from diverse and underrepresented populations in order to provide access to the legal field and support students that are interested in pursuing legal careers. Verizon collaborates with our partnering Historically Black Colleges and Universities (HBCUs) and our outside counsel law firm partner (Greenberg Traurig) to facilitate and support a pre-law pipeline program that will encourage and equip students to pursue legal careers. This 10-week program seeks to help students from underrepresented and diverse communities prepare for a career in the legal profession by providing exposure to corporate legal groups and various legal career paths. We administer this program in our Atlanta/Alpharetta, GA office.

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.

GO 156, §9.1.9: Description of supplier diversity activities and progress in power (energy) procurement
Supplier diversity results in power (energy) procurement

Verizon will comply with the requirements specified in GO156.

GO 156, §9.1.11: Description of supplier diversity activities and progress in fuel procurement. Supplier diversity results in fuel procurement.

This section does not apply to Verizon.

The WBE, MBE, DVBE and LGBTBE summary of purchases in the product and service categories indicated above are depicted in the "Diverse Procurement by Standard Industrial Categories" table on page 13 of this report.

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

GO 156, §10.1.1: Supplier diversity short, mid and long term procurement goals

Verizon has achieved an overall 15.95% per a new allocation methodology.

Supplier Diversity Annual Report and Annual Plan

Verizon Communications Inc		Report Year: 2022														GO 156 Section 10.1.1			
Supplier Diversity Short-, Mid-, and Long-Term Procurement Goals																			
SIC Code	Product	Short-Term						Mid-Term						Long-Term					
		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	Total Supplier Diversity Goal
15		0.04%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.04%	
16		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
17		0.39%	0.00%	0.00%	0.00%	0.00%	0.39%	0.40%	0.00%	0.00%	0.00%	0.00%	0.40%	0.40%	0.00%	0.00%	0.00%	0.40%	
23		0.01%	0.63%	0.00%	0.00%	0.00%	0.64%	0.01%	0.64%	0.00%	0.00%	0.00%	0.65%	0.01%	0.65%	0.00%	0.00%	0.66%	
33		0.95%	0.03%	0.00%	0.00%	0.00%	0.98%	0.97%	0.03%	0.00%	0.00%	0.00%	1.00%	0.99%	0.03%	0.00%	0.00%	1.02%	
39		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
42		0.12%	0.04%	0.00%	0.00%	0.00%	0.17%	0.12%	0.04%	0.00%	0.00%	0.00%	0.17%	0.13%	0.05%	0.00%	0.00%	0.17%	
48		0.33%	0.00%	0.00%	0.00%	0.00%	0.33%	0.33%	0.00%	0.00%	0.00%	0.00%	0.33%	0.34%	0.00%	0.00%	0.00%	0.34%	
49		0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	0.01%	
50		1.75%	0.00%	0.00%	0.01%	0.00%	1.76%	1.76%	0.00%	0.00%	0.00%	0.00%	1.76%	1.82%	0.00%	0.00%	0.00%	1.83%	
51		0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	0.01%	
54		0.01%	0.04%	0.00%	0.00%	0.00%	0.05%	0.01%	0.04%	0.00%	0.00%	0.00%	0.05%	0.01%	0.04%	0.00%	0.00%	0.05%	
55		0.12%	0.00%	0.00%	0.00%	0.00%	0.12%	0.12%	0.00%	0.00%	0.00%	0.00%	0.12%	0.12%	0.00%	0.00%	0.00%	0.12%	
Subtotal		3.71%	0.76%	0.00%	0.01%	0.00%	4.48%	3.76%	0.78%	0.00%	0.01%	0.00%	4.57%	3.86%	0.79%	0.00%	0.01%	4.66%	

SIC Code	Service	Short-Term						Mid-Term						Long-Term					
		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (DBE)	Total Supplier Diversity Goal
73		3.97%	0.02%	0.00%	0.00%	0.00%	3.99%	4.05%	0.02%	0.00%	0.00%	0.00%	4.07%	4.14%	0.02%	0.00%	0.00%	4.16%	
87		0.38%	0.11%	0.00%	0.06%	0.00%	0.56%	0.39%	0.11%	0.00%	0.06%	0.00%	0.56%	0.39%	0.12%	0.00%	0.06%	0.57%	
Subtotal		4.35%	0.13%	0.00%	0.06%	0.00%	4.54%	4.44%	0.13%	0.00%	0.06%	0.00%	4.63%	4.53%	0.13%	0.00%	0.06%	4.72%	
Total		8.06%	0.89%	0.00%	0.06%	0.00%	9.02%	8.22%	0.91%	0.00%	0.06%	0.00%	9.20%	8.39%	0.93%	0.00%	0.07%	9.38%	

GO 156, §10.1.2: Description of supplier diversity program activities planned for the next calendar year.

PLANNED SUPPLIER DIVERSITY PROGRAM ACTIVITIES FOR 2023

Internal

We will maintain our emphasis on data driven strategies, accountability, collaboration, training and communication. We will continue to hold prime suppliers accountable to fulfilling their contractual commitments to subcontract with diverse suppliers. We will:

- Drive the inclusion of qualified diverse suppliers as subcontractors/2nd tier suppliers in Verizon procurement opportunities through our contracts and business processes.
- Analyze data to increase utilization in low and non-traditional services such as legal, financial/investment management areas.

- Strategically partner and collaborate with strategic sourcing, supplier diversity champions, business stakeholders and prime suppliers to develop and implement strategies to increase diverse spend.
- Facilitate Verizon Premier Supplier Academy sessions to engage and promote awareness of opportunities for diverse suppliers and educate suppliers on Verizon's business requirements.
- Engage business stakeholders and strategic partners that may impact the utilization of diverse suppliers in California.
- Conduct education and awareness training sessions on supplier diversity with teams across the business.
- Engage in discussions on establishing a supplier diversity program with prime suppliers as needed, and provide training for reporting tier 2 spend.
- Monitor, review, analyze data and track progress in achieving our goals.
- Support and coach diverse suppliers to build on their successes and provide constructive feedback to improve business opportunities.
- Support Verizon's Small Business Digital Ready initiative.
- Monitor results and work closely with prime suppliers to ensure they meet their tier 2 spend requirements and expand areas of opportunity for diverse suppliers.
- Collaborate with business teams across the enterprise to determine growth opportunities and business model changes that may impact diverse spend.
- Formulate action plans to achieve our goals.

GO 156, §10.1.2: Description of supplier diversity program activities planned for the next calendar year

External

Verizon will continue to partner with community organizations that advocate for and are dedicated to helping diverse suppliers accelerate business development and growth. We will engage with organizations such as the NMSDC, WBENC and The Business Consortium Fund to provide diverse suppliers with access to capital, supplier development programs and business connections that enable diverse businesses to thrive in the digital economy.

At Verizon, environmental social governance is integrated into the core of our business and what we do. Citizen Verizon is our responsible business plan for economic, environmental and social advancement, and reinforces our commitment to addressing the most pressing societal issues of our time – the digital divide, climate change and human prosperity. Our Citizen Verizon initiative is committing \$3 billion in its responsible business investment from 2020-2025 to continue helping vulnerable communities bridge the digital divide and prepare for the digital economy of the future.

Verizon plans to engage in the following activities:

- Participate in relevant forums, panels and workshops to make valuable business connections with diverse suppliers, to drive the importance of a diverse supply chain and to support economic parity in the communities we serve.
- Continue to develop and leverage best practices within the industry for enhancing sustainable supplier diversity growth.
- Utilize numerous diverse databases for identifying and vetting diverse suppliers for procurement opportunities.
- Host Premier Supplier Academy sessions with Verizon Sourcing, business stakeholders, community partners and/or prime suppliers to discuss opportunities and Verizon's business requirements with diverse suppliers.
- Encourage diverse suppliers to maintain certifications and to enter and update their profiles in our supplier registration database.
- Leverage active partnerships to build awareness of Verizon's procurement opportunities and business requirements.
- Conduct webinars on Verizon's Small Business Digital Ready platform to help small diverse businesses compete for opportunities.

We will continue to support and collaborate with:

- The Billion Dollar Roundtable
- CPUC/Joint Utilities
- Disability: IN
- National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship
- National Minority Supplier Development Council
- National Veteran Business Development Council
- NGLCC: National LGBT Chamber of Commerce
- US Black Chambers of Commerce
- US Hispanic Chamber of Commerce
- US Pan Asian Am Chamber of Commerce
- Wireless Infrastructure Association
- Women's Business Enterprise National Council

GO 156, §10.1.3: Plans for recruiting diverse suppliers in low utilization categories

- Verizon will continue to engage with our community partners on initiatives dedicated to supporting diverse business development and growth.
- We will continue to work with prime suppliers in such areas as technology, legal and financial services to encourage subcontracting with diverse suppliers.
- Continue to develop and leverage best practices within the industry for enhancing sustainable supplier diversity growth.
- Participate in CPUC's/Joint Utilities Virtual Business Expo.
- We will continue to assess procurement categories to include qualified diverse suppliers in strategic sourcing opportunities.
- Engage business stakeholders and strategic partners that may impact the use of diverse suppliers in California.
- Conduct education and awareness sessions on supplier diversity with teams across the business.

GO 156, §10.1.4: Plans for recruiting diverse suppliers where unavailable

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

- Participate in relevant forums and engage with community partners to identify diverse suppliers in currently unavailable areas.
- Develop and leverage best practices within the industry for enhancing sustainable supplier diversity inclusion and growth.
- Attend annual conferences and participate in match making sessions throughout the year with our community partners.
- Participate in CPUC's/Joint Utilities Virtual Business Expo.
- Engage business stakeholders and strategic partners that may impact the use of diverse suppliers in California.
- Drive awareness of Verizon's Small Business Digital Ready initiative to support small and diverse business growth.

GO 156, §10.1.5: Plans for encouraging prime contractors to subcontract with diverse suppliers.

Verizon includes supplier diversity language in our contracts for prime suppliers to commit to a percentage of spend with diverse suppliers and achieve improvement in spend year-over-year. Sourcing, key stakeholders, and the supplier diversity teams work closely together to review existing agreements to ensure standard supplier diversity language is included in our procurement contracts and that prime suppliers with diversity commitments comply with tier 2 reporting requirements.

We offer support, providing our [PrimeSupplierPlaybook](#), to guide prime suppliers in developing a diverse and inclusive supply chain that includes a list of best practices for prime suppliers to foster supplier diversity in their companies and details our Tier 2 reporting requirements.

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

Verizon will comply with the General Order 156 program guidelines through our strategies, programs and initiatives.