

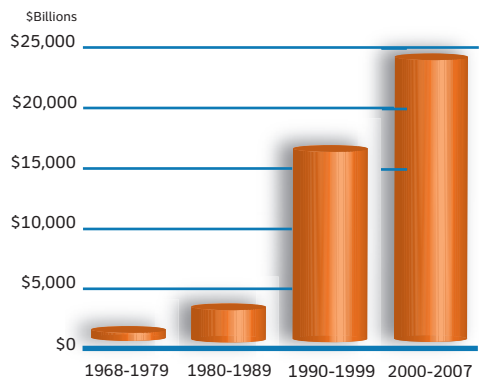


## Supplier Diversity **Firsts**

AT&T's supplier diversity leadership has set the "best practices" standard for corporate programs nationwide. AT&T was among the first to:

- Establish a formal corporate-wide Supplier Diversity Program in 1968.
- Formally implement a corporate Prime Supplier Program that requires all suppliers with contracts of \$500,000 or more to develop supplier diversity plans. Since 1989 this program has broadened the spectrum of opportunities available to certified diversity suppliers.
- Provide significant funding to loan programs providing access to capital for growing diversity companies. AT&T provided NMSDC's Business Consortium Fund with its first \$1 million dollar contribution in 1989.
- Help lead TIG to the industry's first goal setting initiative, the Supplier Diversity Challenge of 1999, which increased diversity spend by \$28 billion dollars in four years.
- Partner with educational institutions to offer expert graduate-level training programs for minority, women, and disabled veteran-owned businesses.
- Join the National Minority Supplier Development Council (NMSDC) Telecommunications Industry Group (TIG) to develop and share industry-specific supplier diversity best practices.
- Develop and include diversity suppliers in non-traditional areas by bringing them into the core of the telecom business. AT&T identified and mentored several diversity suppliers to provide engineering and installation services for transport and power equipment, and to provide kitting and integration services for key network equipment.
- Establish supplier diversity as a critical component of quality processes and standards, by developing and presenting the Supplier Diversity Best Practices and Maturity Assessment Scale at the Quality Excellence for Suppliers of Telecommunications (QuEST) Forum Best Practices Conference in 2000.
- Answer the call to close the "digital divide" that was quickly emerging for diversity suppliers with the advent of e-procurement. AT&T produced a series of e-commerce workshops in 2000 and 2001 to ensure diversity companies were included in new web-based procurement procedures.
- Be inducted into the exclusive Billion Dollar Roundtable, a supplier diversity think tank of corporations that spend more than \$1 billion annually with diverse companies.
- Integrate supplier diversity into the mission and efforts of the Institute for Supply Management (ISM), one of the leading procurement professional organizations in the country.
- Assist the National Association of Regulated Utility Commissioners (NARUC) in detailing a model supplier diversity program for public utility commissions across the United States.
- Produce an Electronic Manufacturing Services (EMS) Forum to increase supplier diversity within global manufacturing supply chains as diversity solutions decreased with outsourcing and off-shoring.
- Address the telecom economic downturn and the resulting challenges faced by diversity suppliers by convening a Telecom Supplier Diversity Task Force. In 2003, the Task Force unveiled "Revitalizing the Supplier Diversity Value Proposition through Supply Chain Effectiveness," that provided 21 recommendations and 25 tools to improve supplier diversity and supply chain management.

Supplier Diversity Spending in Billions, 1968-2007



# 40 Years of Supplier Diversity. Delivered.

## Supplier Diversity: Our Legacy, Our Future.



AT&T has been a pioneer in supplier diversity programs for more than 40 years, developing best practices for our industry and others.

AT&T's Supplier Diversity Programs began in 1968 with \$175,000 in payments to nine minority- and women-owned businesses. Since that time, AT&T has spent more than \$43 billion with diversity suppliers in all aspects of our global supply chain. Through our world-class Supplier Diversity Programs, AT&T has shown the business world that creating opportunity is a competitive advantage.

### Our Mission

A world class supplier diversity program that delivers M/WBE-DVBE 21.5% goal achievement.

### Our Leadership

From increasing supplier diversity awareness locally and globally, to setting the corporate standard in supplier diversity results and innovation, AT&T has led the way toward a new era of inclusion. Our policies and programs increase opportunities for minority, women and disabled veteran business enterprises (M/WBE-DVBEs), not just with AT&T, but throughout the business world.

We take the lead in developing cutting-edge programs that encourage value-add business solutions for diversity inclusion. We assist diverse businesses in meeting the challenges of today's business models.

We are committed to continuing our rich legacy of supplier diversity leadership. It provides better business solutions, while enhancing our brand and contributing to the economic success of all communities. Everyone wins with supplier diversity.