

# SoCalGas

## SUPPLIER DIVERSITY ANNUAL REPORT

For the 7th year in a row, SoCalGas asked us to produce their DBE report. By focusing on the strength of their relationships with diverse business enterprise (DBE) suppliers, we highlighted their achievements in an informative, people-oriented, and easy to navigate report.



### BUILDING ON OUR FOUNDATION OF EXCELLENCE

SUPPLIER DIVERSITY | 2016 ANNUAL REPORT | 2017 ANNUAL PLAN



#### CEO'S MESSAGE

All of us at SoCalGas have been extremely proud of our activities and achievements in supplier diversity. Our investments, development programs and partnerships with diverse suppliers have not only enhanced our competitiveness, but also led to stronger and more successful businesses, increased job creation and provided a boost to local communities.

Supplier diversity has evolved into an integral part of our strategy and a core company value that is embedded in our culture. Our commitment to growing purchases with diverse firms remains as strong as ever.

Over the years, we have focused our activities on broad supplier diversity initiatives. These initiatives include offering tools and education to help foster the long-term success of diverse suppliers and working with our community partners to identify qualified businesses for procurement opportunities.

It has been gratifying to see our diverse suppliers flourish and grow their success. We are proud of our long-term commitment to supplier diversity.

In 2016, we continued to build on our foundation of supplier diversity excellence. SoCalGas attended more than 50 events to seek out diverse firms and helped more than 200 diverse suppliers progress through such development programs as Mastering Business Growth and Smaller Contractor Opportunity Realization Effort (SCORE).

SoCalGas increased procurement opportunities with diverse subcontractors by introducing them to our prime suppliers and

showcasing their capabilities. In addition, we again collaborated with financial institutions to improve diverse firms' access to capital. And to help enhance their cash flow, we expanded our invoice processing through our Supplier Quick Pay Program.

In 2016, we achieved strong diverse spend results - reaching \$672 million - even while experiencing companywide challenges. This achievement demonstrates our strong foundation of excellence in supplier diversity and our commitment to growing purchases with women, minority, service-disabled veteran and lesbian, gay, bisexual and transgender-owned business enterprises.

We will continue to leverage our best practices in supplier diversity, and I'm confident we will accomplish the goals we set for ourselves in 2017. I look forward to sharing our progress next year.

*Patti Wegner*

Patti Wegner  
CEO

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#### 2016 HIGHLIGHTS

**\$672.4M**  
SPEND WITH DIVERSE FIRMS

**34.9%**  
TOTAL PURCHASES WITH DIVERSE SUPPLIERS

**682**  
DIVERSE SUPPLIERS WORKING WITH SOCALGAS

#### NEW CONTRACTS WITH DIVERSE SUPPLIERS

- ADVERTISING
- RELOCATION SERVICES
- JANITORIAL
- EVENT PLANNING
- LANDSCAPING
- ENVIRONMENTAL
- ELECTRIC (PSEP)

**138**  
NEW DIVERSE FIRMS

**399**  
DIVERSE PRIME SUPPLIERS

**260**  
RECEIVED TECHNICAL ASSISTANCE

**\$19.7M**  
IN SCORE SPEND

**24**  
YEARS CRIC GOAL SURPASSED

**91%**  
OF OUR DIVERSE SUPPLIERS ARE IN CALIFORNIA

**42%**  
TOTAL PURCHASES WITH DIVERSE SUPPLIERS EXCLUDING ALSO CANYON



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