



## Supplier Diversity Plan

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## Forward

ColonialWebb prides itself on delivering innovative and energy efficient solutions to its construction, service, industrial refrigeration, and manufacturing customers. Over the decades the Company has become known as a committed force of trusted advisors who exceed expectations through unmatched expertise and dutiful service.

In alignment with customer expectations, ColonialWebb (CW) recognizes that as one of the region's largest commercial, mechanical, and electrical contractors, it can and must play a critical role in proactively building the capacity of local and diverse businesses in the communities it serves. We will continually design program and a business culture that will attract diverse talent to ensure we access the entire spectrum of talent available in the local community.

The following is CW's Supplier Diversity Plan which focuses on the strategic areas of recruitment, utilization, tracking and monitoring, compliance/data integrity and continuous improvement, the Supplier Diversity Plan begins to direct the Company's efforts and resources toward maximizing its supplier inclusion efforts and impact. The Supplier Diversity Plan also reaffirms CW's commitment to responding to the varying and complex social and economic issues facing its community, customers, and suppliers.

In developing the Company's Supplier Diversity Plan, CW engaged in many hours of conversation about the current state of the Company's supplier inclusion efforts, its areas of greatest strength and opportunity, its challenges, and its values. The result is a focused solution of developing a program around building relationships and growing the capacity of diverse suppliers who can provide competitive, high-quality products and services to CW.

During these discussions, three recurring themes emerged to serve as guiding principles for the plan's goals: 1) Congruency to the Company's mission, 2) Extending the Company's leadership position in the community, and 3) Building capacity by serving as a mentor to diverse businesses. Identified was the need for the Company to extend its reach within the community to attract, recruit and develop relationships with new suppliers, while simultaneously working to strengthen the relationships and build the capacity of its existing diverse suppliers. These actions, when delivered within the context of the Supplier Diversity Plan's strategic areas will drive CW to achieving its mission.

## Background and Intention

ColonialWebb's (CW) commitment to being *trusted advisors who exceed expectations* is not only at the core how the Company provides services to its customers, but also extends to its desire to positively impact and uplift the communities it serves. As a regional leader in the commercial, mechanical, and electrical industry, CW recognizes that its future success is predicated on attracting and retaining both a diverse workforce and a diverse base of suppliers to meet its industry's increasing demand.

### *Inclusion Strategy*

Taking a proactive approach to leading and exceeding its customer's diversity and inclusion expectations, the Company's Senior Leadership Team initiated CW's 2021 Inclusion Strategy with a goal to "Accelerate initiatives that support the diverse makeup of our communities and ensure all teammates feel a belonging at CW". To achieve this goal, the Company will focus on three strategic initiatives: 1) Build a supplier diversity program, 2) Develop empathetic leaders, and 3) Ensure CW is an attractive place to work for all people.

From a supplier diversity perspective, the ColonialWebb's Inclusion Strategy calls for CW to build a program that will:

1. Create a system to make it easy for minority suppliers to find and do business with CW
2. Develop relationships with minority-owned vendors to grow a diverse network of business partners

To develop its supplier diversity program, Mitch Haddon, President and CEO of CW, tasked members of his Senior Leadership Team along with the Supply Chain Director, to research best practices for successful minority vendor partnerships/programs and work with industry experts to then build and implement a CW supplier diversity program.

The supplier diversity program will be led by the Supply Chain Director, with other key members of the company providing operational support as the program is rolled out.

The plan that follows aligns with the Company's strategic diversity and inclusion objectives. It works to enhance CW's supply chain by attracting and utilizing diverse suppliers who can provide competitive, high-quality products and services, and is supportive of the Company's talent acquisition and recruiting efforts. Additionally, from a community impact perspective, the plan positions CW as an authentic leader/trusted advisor working to create economic opportunity for historically disadvantaged people.

## The Mission

CW recognizes that working with a wide range of professionals, suppliers, and contractors strengthens the communities it serves, while also creating value for its customers.

Seeking to create sustainable relationships with diverse suppliers, CW has established a supplier diversity program with a goal of maximizing opportunity to small businesses that satisfy the Company's purchasing and contractual standards and are certified as minority-, woman-, veteran- and service-disabled veteran-owned businesses in the Commonwealth.

## Strategic Areas

### Strategic Area I: Recruitment

Actively seeking out additional diverse suppliers that can provide competitive, high-quality products and services to support CW

- **Join multiple advocacy organizations to increase the number of small, minority-owned, and women-owned dollars for the company (Establish relationship with each organization so members are recommended to the Supply Chain Division)**
- **Conduct routine trade outreach events for new and existing diverse suppliers**
  - General outreach activities/events provide opportunities for introducing diverse suppliers to CW. Sample events may include annual procurement events, “lunch and learns”, technical and educational workshops
  - Targeted CW outreach events that are trade specific with a defined procurement goal, which would include trade specific events.
- **Establish annual capacity building/mentorship program**
  - Identify a diverse supplier to mentor for 9-12 months
  - Mentorship program to be run in coordination with the Metropolitan Business League
  - Review efficacy of program; Increase the number of new vendors added to the Company supplier directory

- **Establish Company Supplier Introduction Program for new and existing suppliers**
  - Evaluate businesses based upon pre-determined factors (number of employees, SWaM-type certification, trade/scope, years of experience etc.)
  - Develop internal reporting vehicle to ensure accounting, pre-construction, operations teams are notified immediately of successful companies completing the Supplier Introduction process
  - Review Supplier Introduction program annually to ensure barriers are not created to prevent engagement with diverse suppliers
  - Encourage and facilitate certification of new suppliers
  
- **Develop vendor selection process that drives utilization of diverse business**
  - Invite minority- and women-owned businesses to participate in bid opportunities (i.e., Procore and like systems)
  - Increase number of diverse suppliers who receive opportunities to bid
  - Provide bid selection feedback and as applicable facilitate technical assistance to prepare suppliers for future opportunities
  - If the vendor is not a match for a bid opportunity due to project size, we will determine whether capacity can be built through other opportunities within the company
  
- **Develop internal supplier diversity referral mechanism**
  
- **Utilize the Company supplier database to capture and track new supplier data**

- **Establish Program Metrics** (See appendix for list of program metrics)
  - Establish utilization of the existing diverse supplier plan in project bids and use the Small Business Supplier Diversity Participation Plan as a guide
  - Review components of the report (certification, spend, trade categories, bids carried, etc.)
  - Supply Chain Director will coordinate with the IT and Administrative Departments to review and execute the monitoring, tracking, and reporting of the program
  
- **Evaluate New Construction & other CW Project businesses bid review process and make program changes to increase small business participation with division specific goals.**
  - Update company supplier directory log to ensure the company log serves as a database for upcoming bids
  
- **Establish supplier diversity spend and bid opportunity reporting that will be used to track the progress of the overall program as well as generate reports for specific company needs**
  - Submit quarterly report to Senior Management that includes relevant Supplier Diversity Program data based on program metrics
  - Development of a program report generated by the IT Department that can be run for company-wide metrics, by organizational unit or by specific project
  
- **Client and project specific goals will be tracked on a per project basis with internal project specific reporting**
  - CW Project Manager's will have access to a report that shows specific diverse supplier spend data on their project that can be used to report this information to the customer per project requirements



**Strategic Area IV:  
Compliance and  
Data Integrity**

**Ensuring the program provides all necessary compliance and regulatory information to the correct groups; regularly reviewing data integrity**

- **For any construction subcontract more than \$10,000 that is made under a covered Federal or federally assisted construction contract, HR will notify the Office of Federal Contract Compliance Programs (OFCCP) in writing within 10 working days of the award**
  - New Construction and Supply Chain Department will coordinate to prepare and submit the notification letter to Human Resources (HR)
  - HR will submit the notification letter to the applicable OFCCP office
  - Supply Chain, IT, and other departments will coordinate to maintain a company vendor log that tracks the existing, new, and retained suppliers
  
- **HR must track regulations and required documents generated by the OFCCP and other client entities**
  - HR, Supply Chain, & Senior Leadership will stay attune to Federal, State, and Local regulations that effect contracts and Supply Chain relations and work with various organizations within our industry and geography—i.e., the Small Business Administration, Associated General Contractors of Virginia, Associations of Builders & Contractors etc. to confirm we are providing accurate information
  
- **Supply Chain will establish and maintain the Company's existing supplier business log to track the existing diverse suppliers and project offers**
  - Track the diverse suppliers by certification, minority-, woman-, veteran- and service-disabled veteran-owned; last offer and project owner/description; contract dollars; subcontract or sub tier; new/existing vendor
  - Track the diverse dollars to ensure the company supplier diversity spend is trending toward the established fiscal goal
  - Identify the next division assigned to track the existing diverse supplier spend and integrate the supplier business company log into the new division's supplier diversity program
  - Disseminate EEO Policy Externally; Continue to incorporate EEO language in the CW purchase orders, subcontracts, and other similar documents
  - Annually send the latest internal EEO information to all current vendors and ask them to identify if they are subject to an AAP.
  - Document solicitations from Minority- and Women-owned Contractors

**Strategic Area V:  
Continuous  
Improvement**

**Creating an environment of continuous improvement to ensure the supplier diversity program remains effective and relevant**

- **The Supply Chain Department will collaborate with HR to ensure the program structure remains aligned with CW's Inclusion Strategy**
  - Meet biannually with HR to review progress
  - Review program content and implement any needed changes on an ongoing basis
- **Senior Leadership Team to support Supply Chain Director by providing resources to achieve program goals**
  - Supply Chain Director will collaborate with HR and Senior Leadership Team to review program needs and ensure program alignment with company strategy.
- **Supply Chain will present updated program to the Senior Leadership Team**
  - Supply Chain will present the program barriers and successes that have occurred as the program is implemented
  - Supply Chain will present the role IT plays in the program and new program needs
  - HR will present the program alignment with the Company's Inclusion Strategy
- **Define the small business certifications/classifications accepted in the CW Supplier Diversity Program; Every three years**
  - Review the Department of Small Business and Supplier Diversity certification definitions
  - Review the Federal Small Business Administration certification/classification definitions

## What Will ColonialWebb's Supplier Diversity Look and Feel Like as a "Best Practice Program"?

**The following section describes what it will be like when the strategic goals are achieved.**

As a "best practices" supplier diversity organization, CW has maintained consistent growth in its diverse supplier spend resulting from its robust outreach and programming activities for SWaM businesses. This growth is both deliberate and sustainable and is managed by a regularly reviewed multi-year supplier diversity plan.

The mission and goals of supplier diversity at CW are universally known within the organization and consistently used to direct and set function procurement priorities. CW's commitment to supplier diversity is known both internally and externally, as expressed and reaffirmed by the Company's senior leadership through company-wide eblast, newsletters, website postings and a variety of other communications mediums.

CW successfully maintains a growing diverse supplier pipeline which is nourished through its many outreach activities. These activities include participation in various regional supplier diversity organizations, attending tradeshows, sponsoring supplier diversity events, advertising in strategic publications, and conducting matchmaking events. Professional marketing materials reflecting the latest programs, activities and information are disseminated at its outreach events. A plan and process are in place that allows CW to monitor and respond quickly to vendor questions and feedback.

Internally, CW conducts continuous education and training activities for functional areas, while actively directing Business Development, Pre-Construction, Supply Chain, and Project Management towards diverse supplier resources. Business Development, Pre-Construction, Supply Chain, and Project Management will have access to and frequently use CW's internal diverse supplier database and engage diverse suppliers for current and future needs. Business units track their diverse supplier spend through Internal and IT developed reports and data is updated on a consistent basis. Quarterly reports are reviewed by the Company's senior leadership team with appropriate action taken to ensure that CW's supplier diversity goals are achieved.

Externally, CW is known for its active engagement in supplier diversity. CW maintains mutually beneficial partnerships and alliances with a variety of similarly interested organizations (local, state, federal government, military, for-profit and non-profit businesses). Collaborations include the sharing of diverse supplier databases, taking advantage of co-programming activities, and promoting the benefits of supplier diversity to the greater community.

## Appendix

### Supplier Diversity Goal Overview

# ColonialWebb Supplier Diversity Strategy

#### Strategic Area I: Recruitment

Actively seeking out additional diverse suppliers that can provide competitive, high-quality products and services to support CW

#### Strategic Area II: Utilization

Ensuring the utilization of diverse suppliers

#### Strategic Area III: Tracking and Monitoring

Providing systematic monitoring, tracking and reporting to measure diverse supplier and utilization

#### Strategic Area IV: Compliance and Data Integrity

Ensuring the program provides all necessary compliance and regulatory information to the correct groups regularly reviewing data integrity

#### Strategic Area V: Continuous Improvement

Creating an environment of continuous improvement to ensure the supplier diversity program remains effective and relevant

# Supplier Diversity Metrics



Number of new diverse supplier contacts in CW database

Number of diverse suppliers going through various Supplier Introduction processes

Percentage spend with diverse suppliers in relation to total spend

Number of bids to which diverse suppliers have been invited

Percentage success/win rate (amount of business awarded vs. amount of business diverse suppliers are invited to bid)

List of Agencies and Advocacy Organizations

**Organization**

**Organization Website**

Carolinas-Virginia Minority Supplier Development Council	<a href="#"><u>CVMSDC, Carolinas-Virginia Minority Supplier Development Council, Supplier Diversity, Minority Business Enterprise, Minority Business Certification</u></a>
City of Richmond Office of Minority Business Development	<a href="#"><u>Richmond VA &gt; Office of Minority Business Development &gt; Home (richmondgov.com)</u></a>
Central Virginia African American Chamber of Commerce	<a href="#"><u>Central Virginia African American Chamber of Commerce - Home (cvaacc.org)</u></a>
Metropolitan Business League	<a href="#"><u>The Metropolitan Business League – a nonprofit, membership-based business association (thembl.org)</u></a>
National Association of Minority Contractors	<a href="#"><u>National Association of Minority Contracting https://namcnational.org/</u></a>
National Association of Women Business Owners Richmond/WPEO	<a href="#"><u>NAWBO Richmond - Home</u></a>
National Association of Women in Construction Richmond	<a href="#"><u>RVA Chapter 141 (nawicrichmond.org)</u></a>
Richmond Area Municipal Contractors Association	<a href="#"><u>RAMCA: Richmond Area Municipal Contractors Association</u></a>
Virginia Asian Chamber of Commerce	<a href="#"><u>Contact Us   Virginia Asian Chamber of Commerce (aabac.org)</u></a>
Virginia Department of Small Business and Supplier Diversity	<a href="#"><u>Virginia Department of Small Business and Supplier Diversity – Virginia Department of Small Business and Supplier Diversity https://www.sbsd.virginia.gov/</u></a>
Virginia Hispanic Chamber of Commerce	<a href="#"><u>Virginia Hispanic Chamber (vahcc.com)</u></a>
Virginia Department of Veteran Services Virginia Values Veterans	<a href="#"><u>https://www.dvs.virginia.gov/ Virginia Values Veterans   Bringing Veterans and Employers Together Across the Commonwealth (dvs3.com)</u></a>

## Terms and Definitions

**SWaM:** *An acronym for Small, Women- and Minority-owned businesses. SWaM is a procurement initiative established to enhance business opportunities for small, women- and minority-owned businesses and to ensure a level playing field for all small businesses in the Commonwealth of Virginia.*

**"Small business"** *means a business that is at least 51% independently owned and controlled by one or more individuals who are U.S. citizens or legal resident aliens, and together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less, averaged over the previous three years. One or more of these individual owners shall control both the management and daily business operations of the small business.*

**"Women-owned business"** *means a business that is at least 51% owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or legal resident aliens, and both the management and daily business operations are controlled by one or more women.*

**"Minority-owned business"** *means a business that is at least 51% owned by one or more minority individuals who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals who are U.S. citizens or legal resident aliens, and both the management and daily business operations are controlled by one or more minority individuals.*

**"Service-Disabled Veteran-owned businesses"** *can also be certified as small business owners in the SWaM vendor database. This is not a separate certification; it is a designation of those businesses that are owned by Service-Disabled Veterans who are certified as such by the Virginia Department of Veteran Services.*