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Date Revised: 11/14/2022	Supersedes:
Date Last Reviewed: 01/04/2023	09/12/2013

North America Supplier Diversity Policy

I. PURPOSE

Diversity in the supply chain is important to Allied Universal®. In line with our guiding statements, we are committed to always doing business in the right way serving and safeguarding customers, communities, and people around the world. To have a positive impact on the communities we serve, we will continue to be an employer of choice and seek to provide more opportunities to a wide range of diverse suppliers who may not otherwise have opportunities to compete for our procurement contracts.

Having a diverse supply chain is not only good for communities it helps improve our business too. It enables us to drive efficiencies and be more flexible and innovative in the products and services we offer both to our customers and to our employees. It can also help facilitate access to new markets and is increasingly valued by our customers in helping them to achieve their diversity goals too.

II. OBJECTIVES

- Always provide high quality reliable goods and services that are competitively priced and meet the needs of our business and procurement standards.
- Search for certified diverse suppliers and ensure they are aware of contract availability and our sourcing processes.
- Provide opportunities for diverse suppliers to engage with members of our procurement teams at a local and national level to review specifications and respond to queries related to certification and insurance.
- Continually remind our stakeholders both internally and externally of the importance and value of a diverse supply chain.
- Participate in outreach programs that offer support for diverse suppliers such as mentoring and learning and development.
- Monitor and measure our supplier diversity results to help drive progress on our diversity requirements and sharing with our customers where requested so that they can do the same.

III. PURPOSE

The purpose of this policy is to support our diversity, equity, and inclusion strategy by setting out:

- The right way of behaving in line with our values, the Code, and the actions we should take if we see or hear any conduct that is contrary to this.
- The goals we have set for ourselves in order to build a more diverse workforce and more equitable and inclusive workplace.
- The roles and responsibilities we all have for creating an environment where people can be themselves and perform to the best of their ability.

IV. DIVERSE SUPPLIERS WITHIN SCOPE

Diverse suppliers are those that have been certified by a third-party organization* to validate their ownership as being from the list below. Allied Universal® does not accept self- certification.

- Women Owned Business Enterprise (WBE)
- Minority Owned business Enterprise (MBE)
- Veteran Owned Business Enterprise (VBE)
- Disabled Veteran Owned Enterprise (DVBE)
- Disabled Owned Business Enterprise
- LGBT Owned Business Enterprise
- Small Business Enterprise

Minority owned businesses must have at least 51 percent ownership/operation/control by one or more persons who are US citizens and:

- African American
- Hispanic American
- Native American
- Asian-Pacific American
- Asian-Indian American
- Woman Owned
- Veteran Owned
- Service Disabled Veteran Owned
- Small Disadvantaged
- LGBT Owned

In addition, the policy also covers certified small businesses (<https://www.sba.gov/>).

V. CERTIFICATION

Further information about getting certified is available from:

Minority Certification – National Minority Supplier Development Council (NMSDC) at <http://www.nmsdc.org>

Woman Certification – Women’s Business Enterprise National Council (WBENC) at <http://www.wbenc.org>

Veteran Certification – US Department of Veterans Affairs at www.vip.vetbiz.gov

Disabled Veteran Certification – Association for Service Disabled Veterans (ASDV) at <http://www.sba.gov/content/service-disabled-veteran-owned-small-business-concerns-sdvosbc>

Small Business Certification – Small Business Administration (SBA) at <http://www.sba.gov>

Doing business with Allied Universal®

Any diverse vendors interested in doing business with Allied Universal® should complete the Prospective Supplier Registration process on aus.com and upload electronic copies of third party certification(s).

Upon receipt of an application, Allied Universal® will complete due diligence by reviewing the company's qualifications and capabilities to ensure compatibility with Allied Universal® and/or our clients' requirements. See below for details of due diligence.

Potential diverse suppliers will be asked to furnish, among other items:

- Certificate(s) of Insurance
- Audited financial statements, including balance sheet, profit and loss and cash flow, for the last two fiscal years
- References – three current and two prior within the last five years
- Copies of all Diversity Certifications

VI. PRODUCTS AND SERVICES WITHIN SCOPE

Diverse suppliers can compete for contracts which are either:

- **Indirect - Centrally sourced products and services**

This includes products and services in areas such as (but not limited to), employee recruitment, retention and communications, procurement of office supplies, furniture, technical equipment, marketing services, travel services, telecommunications, uniforms, and vehicles etc.

- **Direct - Subcontracted security services partnerships**

As the security services provider for many corporate and government clients, diverse suppliers are encouraged to tender for contracts to partner with us and provide security solutions in many different business segments.

Qualified firms seeking to enhance their capability to successfully compete for federal security contracts can also partner with Allied Universal® through the U.S. Small Business Administration's Mentor Protégé program in which we are an approved Mentor firm. This will enhance our and our clients' ability to identify strategic business alliances through broader supplier participation.

Suppliers on the program will be offered technical and managerial support in areas like (and not limited to) business planning, contractual audits, training assistance, support in obtaining financing and assistance in making volume purchases for in-house needs.

VII. DUE DILIGENCE

Thorough due diligence is conducted on all potential supply partners. This ensures they are financially and operationally able to deliver the requirements of the contract and are aligned ethically with the guiding statements of Allied Universal. This process includes the following:

- Obtaining certification documents from local/state/federal government
- Obtaining federal tax ID number
- Obtaining DUNS number
- Obtaining civil records, including liens, bankruptcy, etc.
- Obtaining Better Business Bureau records
- Performing a credit check
- Verifying ownership
- Obtaining a list of principals involved
- Requesting client references
- Verifying all required licenses

- Searching for any violations with any licensing agency
- Review of ability to meet employee payroll
- Review of training capabilities
- Verifying appropriate insurance coverage
- Visiting principal place of business for adequacy of overhead staff

If selected, diverse suppliers will be offered support with onboarding where appropriate.

VIII. METRICS

Supplier diversity spend and any participation in programs is monitored and measured quarterly to ensure that we are meeting our objectives and to help set goals for improvement. Data is also provided for our customers where needed for tracking their own supplier diversity progress.

IX. CONTACT

For further information about the Allied Universal[®] Supplier Diversity Policy or how to engage Supplier Diversity for business development opportunities, please contact Teja Kappagantula, Vice President of Corporate Spend (Head of Procurement & Real Estate) at 714-619-9787 or teja.kappagantula@aus.com.