



2020 Supplier Diversity Economic Impact Report


 *Committed to the Community*

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About This Report

Evergy provides safe, reliable electricity to more than 1.6 million customers in Kansas and Missouri. Seeking out diverse suppliers is one of the many ways Evergy works to strengthen the communities we serve. This report uses Input Output analysis to estimate the economic impact of Evergy's engagement with small, minority, women, veteran, service disabled veterans and LGBTQ+ owned businesses. In 2020, Evergy's work with diverse businesses led to more than \$2.7 billion in contributions to the U.S. economy and sustained more than 15,632 jobs.



A Message From Evergy's President and CEO, David Campbell



Evergy believes competitive strength is best achieved through diverse groups of people working together to find innovative energy solutions. To that end, our Supplier Diversity program gives focus to our ongoing efforts to build relationships with minority, women and veteran owned business enterprises.

For more than three decades, we've been a leader in working with diverse companies that supply high-quality materials and services at competitive prices so they can compete for corporate contracts in every sector of our business. Our leadership team is committed to increasing opportunities for diverse suppliers and enhancing the competitiveness of the supplier base.


Evergy is only as strong as the communities we serve and those communities are further strengthened by concentrated economic development efforts. Providing opportunities for diverse suppliers to grow their businesses fuels the economy in Kansas and Missouri communities.

Evergy has been recognized by our communities as a business partner of choice because of our focus on empowering a better future and improving life in the communities we serve. This report provides an overview of the economic impact our purchases create. Our impact demonstrates the difference we can make with a concentrated effort toward diverse, inclusive purchasing practices that support our goal of providing reliable service at affordable prices for our customers while transitioning to cleaner forms of energy.

A handwritten signature in black ink that reads "David Campbell". The signature is fluid and cursive.

David Campbell

President and Chief Executive Officer



About Energys

Energys is committed to delivering clean, safe, reliable energy to our customers while employing a diverse workforce and supporting the communities we serve. By embracing renewable energy sources to generate more power with less impact to the environment and adopting new technologies that let customers manage their energy use in ways that work for them. Whether it's new ways to connect with Energys, electric vehicle charging stations, or the next innovation around the corner, Energys is dedicated to empowering a better future.

Energys serves about 1.6 million customers in Kansas and Missouri. More than half of the electricity provided to homes and businesses we serve is from emission free sources.



Supplier Diversity: Who We Are

VISION

We strive to strengthen economic development of our region through support and advancement of small and diverse business enterprises.

MISSION

Increase opportunities for diverse suppliers with Evergy and enhance the competitiveness of the supply base; thus, enhancing the economic value of our customers, shareholders and the communities we are privileged to serve.

Evergy's Commitment to our Community

Evergy is committed to empowering a better future for our customers and communities. Making a positive impact in the communities we call home is a foundational component of our business.

Community Impact by the numbers:



20,000

Employee
Volunteer Hours



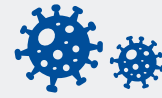
\$1.1 Million

Employee Donations
to the Community



\$6.5 Million

Community Donations
to **400 Agencies**



\$1.8 Million

COVID Customer and Community
Relief Provided to **110 Agencies**

In 2020 we officially launched our community impact strategy to focus our resources including donations, community leadership volunteerism and in-kind support. Our community investment program is based on a strategy that helps our customers and region move forward. We look for **innovative solutions that address root causes**, so our efforts and actions truly make an impact in our hometowns.

Evergy focuses community investments in these areas:

- **Environmental Leadership** – We're committed to creating a sustainable energy future and minimizing our environmental impact.
- **Community Vitality** – We invest in opportunities that retain and attract business as well as stimulate workforce readiness, provide access to opportunities for all ages and backgrounds and help with basic needs that help communities and people contribute to society.

COVID Community & Customer Relief Program

The coronavirus and resulting economic crisis created an urgent and unprecedented need in our communities. The needs and economic impact were significant and beyond what any one company could truly fix. In 2020 Evergy provided \$1.8M in emergency, economic and customer assistance support. This support was in addition to Evergy's annual \$6,500,000 of community support to hundreds of agencies throughout our service territory.

Connecting our Customers to resources

While COVID forced us to temporarily close our customer walk-in facility – Evergy Connect, by July we were able to safely reopen and provide customized support again to our customers. A unique barrier was built to allow customers to safely enter our building and work for with our specialists in person, or through our 'virtual desk' which allowed for Zoom and other face-to-face platforms.

As COVID took its toll on the economy, creating financial hardship for our customers, Evergy worked with state officials and policy leaders to expand the eligibility of utility assistance and improve application processes and deadlines. This along with a comprehensive outreach campaign resulted in more than \$22M in payment assistance for our customers. As more federal COVID relief assistance programs emerged, we developed a one-stop shop on Evergy.com so our customers could assess the right programs for them and quickly navigate to the application pages.



Procurement at Evergy

Our supply chain initiatives help foster jobs and economic activity in underrepresented segments of the business and customer community. Inclusive procurement practices provide opportunities to all businesses, that in turn provide greater representation, employment and economic advancement for small, minority, women, veteran, service disabled veterans and LGBTQ+ owned businesses.

Making an Economic Impact



Production

Purchases from our large, small and diverse businesses support economic activity at these suppliers and create a ripple effect of purchases through their supply chain.



Incomes

Employees who hold these jobs earn incomes that help support their families and create additional spending.



Jobs

Suppliers ramp up staff to support additional sales. This supports jobs with our suppliers, within their supply chain and in their communities.



Taxes

Economic activities generate revenues for the government in the form of personal and business taxes, which in turn support investment in the community.

Evergy's Procurement

Evergy's supply chain policy is to perform the sourcing and procurement functions in a manner that supports the company mission of **Empowering a Better Future**.

We do this by putting our people first and by being a safe, efficient, reliable, and customer centric provider of energy, while meeting the highest standards of integrity and ethical conduct.

By following our values and working with suppliers who have the same values we will become the best energy company.

The Economic Impact of Our Purchases

\$1.6 Billion

 Total Purchases

\$2.7B
Production Impact



\$848.4M
Wages Supported



15,632
Jobs Supported



\$829M
Taxes Generated





Supplier Diversity Program

Partnership with diverse businesses is foundational to who we are and vital to community growth.

"For over 35 years, Evergy has focused on training, mentoring and growing diverse suppliers to make our communities stronger."

Valerie Coyazo

Lead Supplier Diversity Manager, Evergy

Chris Lowery (sheet metal worker)
Pro Metals/Pro Insulation

Commitment to Supplier Diversity

Evergy is committed to increasing opportunities for diverse suppliers and enhancing the competitiveness of the supplier base.

When we contribute to the success of diverse suppliers, we start a cycle where the supplier, Evergy and the local economy all benefit. We appreciate the opportunity to share over 100 years of expertise to help make your project a success.

Evergy spending with diverse suppliers supports job growth of these suppliers. It also triggers a multiplier effect that supports additional jobs in our supply chain and these suppliers' communities.

Building strong supplier relationships is important to us.

At Evergy, we have a requirement to **include diverse suppliers** in all contracts of **\$700K** or more.



Light Source Mentoring Program



Light Source

Energy helps emerging suppliers grow and thrive through our Light Source program. Light Source is another opportunity for us to guide these suppliers to a bright future through a program that seeks to nurture emerging minority and women owned businesses in the community.

Light Source supplier participants are paired with a senior Energy leader and a procurement advocate who provide business advice and counsel, connect them with training options, and help expand their network of contacts and opportunities.

It's a relationship that's beneficial on both sides. The suppliers enhance their capabilities and skills, increase visibility in the community and gain a better understanding of bid and award procedures. And we have the opportunity to strengthen relationships with diverse suppliers, enhance our supplier resource base, and foster economic development and community improvement.

Supplier Participants



Mary McNamara
Owner, *Cornell Roofing & Sheet Metal*



John Olivares
Owner, *Pro Metals/Pro Insulation*

Our Programs' 2020 Economic Impact

\$62.8 Million

Total spend with small and diverse suppliers



\$99.6M

Production impact of our program

Cumulative revenues of all businesses impacted through the program.

\$63M Direct

\$13M Indirect

\$24M Induced

787

Jobs Supported

Jobs supported within the supply chain and in the suppliers' communities.

525 Direct

83 Indirect

179 Induced



\$38M

Wages Supported

Cumulative earnings of the employees in the jobs supported through the supplier diversity purchases.

\$25M Direct

\$4M Indirect

\$9M Induced

\$24.9M

Taxes Generated

Taxes generated in local, state and federal taxes.



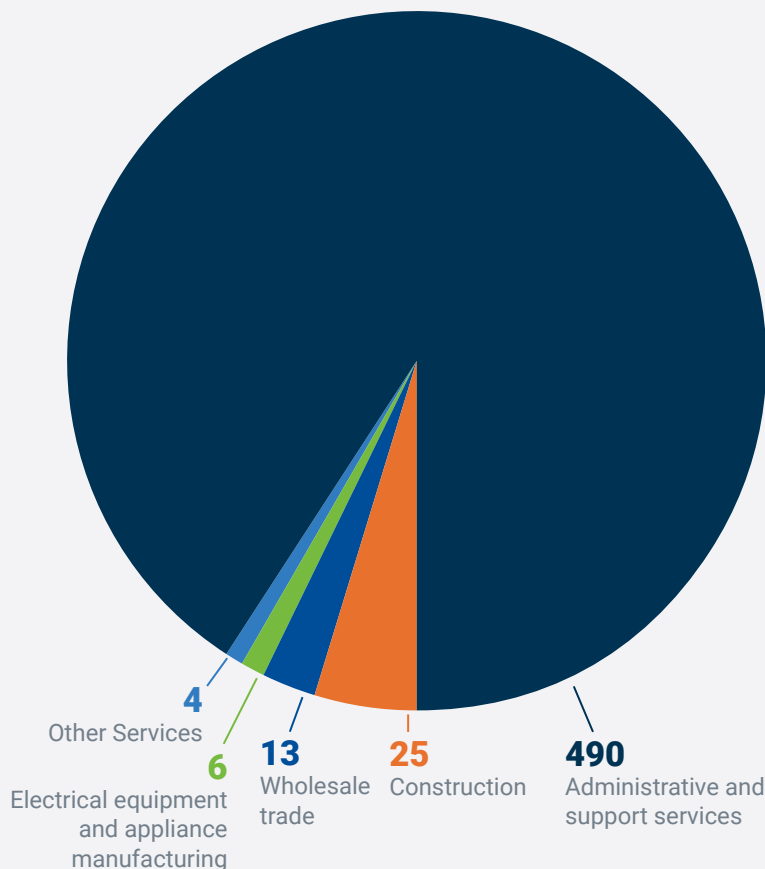
Impact on Minority-Owned Businesses

\$64.3M Every Spend

542 Jobs Supported

\$25.2M Wages Earned

Top 5 Job Industries Supported by Minority-Owned Suppliers



Lenora Payne
CEO, Technology Group Solutions

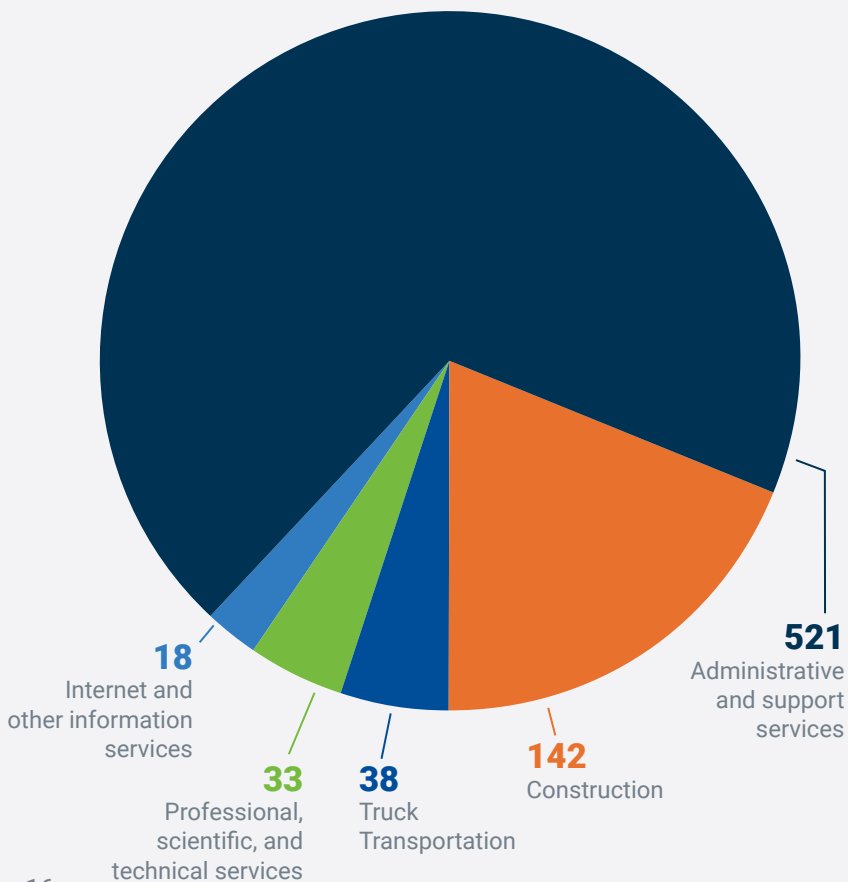
Impact on Women-Owned Businesses

\$112.9M Everygy Spend

807 Jobs Supported

\$40.1M Wages Earned

Top 5 Job Industries Supported by Women-Owned Suppliers



Angela Hurt
Founder and CEO, Veracity

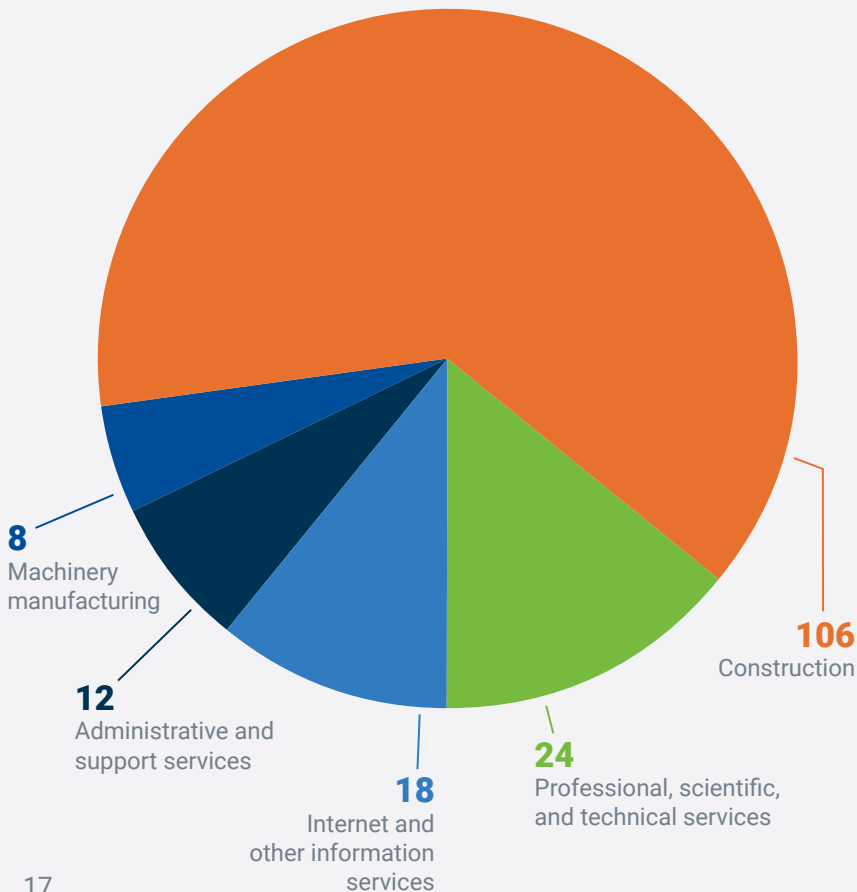
Impact on Small Businesses

\$39.2M Energy Spend

179 Jobs Supported

\$9.8M Wages Earned

Top 5 Job Industries Supported by Small Businesses



Maria A Perez-Andujar
President and CEO, *Index Lingua*

Impact on Veteran-Owned Businesses

\$872.5K Evergy Spend

\$318.1K Wages Earned



Evergy is a supporter of veterans in our community. Annually, we participate in a **Veterans Business Opportunity Fair** to reach our veteran owned businesses.



Evergy partners with veteran-owned supplier, **Obtainenergy**.



Evergy Impact by State

Our Economic Impact in Kansas

\$367.8 Million

Purchases from Kansas based business

**Multiplier effect
of our spending
in Kansas**

\$607.1M Total Production Contribution

3,551 Total Jobs Supported

\$179.4M Total Incomes Earned

\$11.2 Million

Purchases from diverse and small
Kansas based businesses

**Multiplier effect of
diverse and small
spending in Kansas**

\$14.1M Production Contribution

42 Jobs Supported

\$2.2M Incomes Earned

Our Economic Impact in Missouri

\$408.2 Million

Purchases from Missouri based business



**Multiplier effect
of our spending
in Missouri**

\$719M Total Production Contribution

4,640 Total Jobs Supported

\$237M Total Incomes Earned

\$3.5 Million

Purchases from diverse and small
Missouri based businesses



**Multiplier effect of
diverse and small
spending in Missouri**

\$5.9M Production Contribution

35 Jobs Supported

\$1.8M Incomes Earned

Energy State Impact

State	Evergy's Diverse & Small Business Spend	Total Production	Total Jobs	Total Wages
MO	\$408M	\$719M	4,640	\$237M
KS	\$368M	\$607M	3,551	\$179M
IL	\$138M	\$253M	1,373	\$88M
PA	\$111M	\$170M	781	\$44M
TX	\$84M	\$164M	985	\$58M
OH	\$58M	\$99M	469	\$26M
NJ	\$51M	\$86M	783	\$38M
WA	\$49M	\$77M	272	\$17M
IA	\$44M	\$74M	438	\$23M
GA	\$42M	\$65M	271	\$16M
NC	\$34M	\$53M	228	\$13M
CO	\$30M	\$57M	339	\$19M
CA	\$27M	\$39M	137	\$9M
VA	\$16M	\$29M	177	\$13M
AL	\$15M	\$25M	141	\$7M
MN	\$14M	\$26M	135	\$8M
NY	\$14M	\$22M	111	\$8M
FL	\$12M	\$20M	113	\$6M

Evergy State Impact

State	Evergy's Diverse & Small Business Spend	Total Production	Total Jobs	Total Wages
CT	\$11M	\$20M	116	\$8M
NE	\$9M	\$12M	61	\$3M
MA	\$7M	\$13M	64	\$5M
MD	\$5M	\$9M	59	\$4M
OK	\$5M	\$8M	51	\$2M
MI	\$4M	\$7M	33	\$2M
WI	\$4M	\$7M	36	\$2M
IN	\$4M	\$7M	40	\$2M
DC	\$4M	\$5M	22	\$3M
ID	\$4M	\$7M	55	\$3M
TN	\$2M	\$4M	38	\$2M
AZ	\$2M	\$3M	10	\$547K
OR	\$2M	\$4M	32	\$1M
KY	\$2M	\$3M	21	\$910K
LA	\$931K	\$1M	6	\$354K
UT	\$806K	\$1.5M	11	\$488K
AR	\$752K	\$1M	10	\$398K
SC	\$666K	\$1M	7	\$332K

Evergy State Impact

State	Evergy's Diverse & Small Business Spend	Total Production	Total Jobs	Total Wages
RI	\$353K	\$505K	2	\$125K
NV	\$351K	\$512K	2	\$119K
DE	\$224K	\$375K	3	\$149K
ND	\$205K	\$358K	3	\$133K
MY	\$139K	\$268K	3	\$100K
NH	\$122K	\$218K	1	\$83K
WV	\$119K	\$136K	0	\$16K
MS	\$109K	\$132K	0	\$20K
ME	\$63K	\$118K	1	\$38K
SD	\$23K	\$28K	0	\$4K
NM	\$14K	\$26K	0	\$9K
WY	\$7K	\$11K	0	\$3K
HI	\$6K	\$12K	0	\$4K
VT	\$6K	\$11K	0	\$4K
AK	\$2K	\$3K	0	\$1K

Awards & Recognition

Strong supplier relationships have helped make Evergy the award winning, trusted company we are today.

2019

**Diversity & Inclusion award –
Evergy**

Wichita Business Journal

Corporation of the Year – Evergy

Kansas Department of Commerce

**Corporate Champion of Diversity –
KCP&L/Evergy**

Women's Business Development
Center

Corporation of the Year – Evergy

Wichita Hispanic Chamber of
Commerce

2018

**Nuestra Latina Award –
Valerie Coyazo**

Greater Kansas City Hispanic
Chamber and Bank of America

2017

**Supplier Diversity Ace Award –
Terry Hedrick**

Greater Kansas City Chamber of
Commerce

**Top 25 Women in Power Impacting
Diversity – Valerie Coyazo**

Diversity Plus Magazine





Energy Supplier Spotlight

Energy Supplier Spotlights feature a 1-hour meeting, virtually or in person, to highlight the capabilities of a supplier in the community we serve. The supplier presents a PowerPoint presentation to our internal business partners for 30 to 40 minutes. At this time, they provide details on their company, including, the introduction of team members, history of their company, safety program (including if a partner in ISN), overview of goods or services and examples of successful projects. At the end of the presentation the business partners that attend can ask questions of the supplier.

Energy Supplier, Cornell Roofing & Sheet Metal

Green Resources Consulting



Our pandemic journey begins on January 17th, 2020 we were getting calls from China about their country experiencing a lock down because of a pandemic. Our bamboo towels, bamboo linens and pollution masks that we ordered from China could not be dispatched.

Our company, Green Resources Consulting had discussed in previous years about starting to develop a manufacturing facility here in the United States to avoid these types of bottle necks, and because we promised to bring our small operations back to the United States.

As the pandemic hit our country, we already knew that we had to evolve our small business. By March 4th we were already adding a high technology layer of activated bamboo carbon to our masks, to improve the functionality of the filtration so we could help prevent the transfer of COVID 19 in the United States.

Every was one of the diligent companies that understood the need of a protective mask, while many other corporations were settling for inexpensive surgical or even cloth masks, which are not efficient or designed to protect against SARS COV 2 pathogens.

Green Resources Consulting Intelligent Technologies went from a four-person operation to a 40-person operation in a few months. We then retooled our small factory line and went from producing a hundred masks a month to a thousand masks a month, today, we can produce more than a million masks a month.

Our next challenge was labor, we stepped into robotic technology, this helped us to become more efficient and reliable for our customers.

Our Environmental awareness and our sustainable and renewable products allowed us to understand that we must be versatile, not just growing our bamboo locally but developing the materials and products here as well.

Today, we work with a team of scientist and experts in the field of Air pollution and CO2 emissions. We are looking at ways to use CO2 utilization as:

- Food coolant
- Soil rejuvenator
- Wastewater, water filtration/purification
- Controlling petroleum spills, algae, and red tide outbreaks

We are testing our new nonwoven textile infused with activated bamboo carbon to produce

- More durable wiring conduits
- Stronger structurally flexible electrical poles
- Ways to use energy transformation and electricity creation with bamboo charcoal instead of coal

Our small business was challenged to what some thought was impossible. After recognizing this is our new reality, we grew 2000% in the past year with companies like Evergy, that believe in innovative ideas from small businesses like ours.

I'm Iveth Jalinsky, CEO & Founder for GRC IT, a minority owned, rural America, HUB zoned business.

Infinite Energy Construction



What made the experience, so pressure inducing was the unprecedented and external nature of it all. Sure, there had been a Global Pandemic in the early 1900s, but there wasn't a template or takeaways of running a business with so many people spread throughout the Country that is so reliant on supply chains and access to facilities.

After a brief allowance for feelings of panic and despair, we began to distill some key takeaways from the situation. First, a global pandemic does not discriminate and, by definition, touches everyone. Secondly, it exposed elements of our business that are vulnerabilities which were waiting to have a light shone on it by some trigger – be it a pandemic or other event.

These takeaways evolved into a strategic response, but as the saying goes, "If you want to go fast, go alone.....if you want to go far, go together." So, I leaned on key partners to help navigate the storm.

One of the biggest assets I have are the relationships that have been built over the years of working together and in the community. Evergy's Light

Source program allowed me to develop invaluable relationships with respected executives in the Utility Industry. These relationships would provide me sage counsel in evaluating how to position IEC to respond to the current challenges and address the vulnerabilities of being over-concentrated in a particular market.

My relationship with another Kansas City asset, Burns & McDonnell Engineering, provided the other ingredient necessary to chart the course for IEC. At the onset of the pandemic, IEC was working at Burns & McDonnell's new headquarter expansion. As companies and employees were panicking for a response to situation and lack of credible information; IEC and Burns partnered to identify what elements were in our control to maintain a safe work site and keep production moving forward.

The synthesis of these partnerships: Evergy and Burns & McDonnell was the most crucial and defining element of how IEC navigated the pandemic. IEC identified a key opportunity to provide Electrical Engineering services for Utility clients. Specifically in the Transmission and Distribution market. IEC chose to enter this market as a return to our Electrical Engineering foundation and leveraging our experience as electrical contractors to create additional value.

We have relied on our relationships with Evergy to better understand the needs and dynamics of the investor utility market to chart a measured and responsible entry.

Ultimately, we are coming out of the pandemic reinvented. We'll continue to lean on the key partnerships and relationships in the Utility market and look and are leaning forward to how we can expand these relationships for new clients as we roll out our Transmission and Distribution Engineering Services.

Appendix

Economic Impact Modeling

Economic impact modeling is a standard tool used to quantify the economic contribution of an investment or company. This modeling uses an “Input Output” economic model to estimate the number of times each dollar of “input,” or direct spend, cycles through the economy in terms of “indirect and induced output,” or additional spend, personal income, and employment.

There are several Input Output models used by economists to estimate multiplier effects. supplier.io employed the IMPLAN input output model in developing estimates of spend, income and employment impacts. This model, initially developed by the U.S. Department of Agriculture, examines inter industry relationships in local, regional, and national economies.

The Input Output multipliers are derived from a comprehensive and complex set of inputs based on the collection of business and employment data. Indirect impacts of economic activity in a targeted geographic area are calculated by applying multiplier coefficients to the direct impact spending. Since most of the businesses in the study are considered as local businesses, each supplier was assumed to have operations primarily in one state. These multipliers consider an amount of “leakage” from the state economy because some wages and expenditures will be spent outside of the state. The economic activity is calculated by state and these state level results are aggregated to determine the national totals.

This report is based on an analysis of data provided by Evergy using IMPLAN’s Input output multipliers, and the supplier diversity information in supplier.io’s database of nearly 1.7 million active certifications.

Analysis performed by supplier.io

Assumptions

This analysis relies on the following assumptions: For suppliers that have multiple locations, all impact is evaluated at the headquarters location. This may overestimate the impact in the headquarters state and underestimate the impact in other states. For suppliers that provide services in multiple NAICS code, unless otherwise indicated, all impact is calculated using the supplier’s primary NAICS code.

A supplier impact is assumed to be localized within a state. The model predicts impact results based on industry averages and is an aggregate across all companies. The calculations cannot be applied to individual companies and may differ from actual jobs and incomes at specific companies.

References

This report is based on an analysis of data provided by the customer and information from the following sources:

- US Government Revenues: http://www.usgovernmentrevenue.com/total_2014USrt_17rs1n
- IMPLAN: <https://implan.com>
- United States GDP: <http://www.tradingeconomics.com/unitedstates/gdp>
- RIM II User Guide A essential tool for regional developers and planners: https://www.bea.gov/sites/default/files/methodologies/RIMSII_User_Guide.pdf
- Input Output Models for Impact Analysis: Suggestions for Practitioners Using RIMS II Multipliers: <https://www.bea.gov/system/files/papers/WP2012-3.pdf>

