

CALIFORNIA DEPARTMENT OF INSURANCE 2015 INSURER SUPPLIER DIVERSITY SURVEY

Group / NAIC Code:

Report Type:

Group

Group / Company Name: STATE FARM GROUP Our company / group enters into contracts to procure goods or services in California. 1. Does your company / group have a supplier diversity policy statement? YES A supplier diversity policy statement is any language that refers to the company's / group's policies in regards to supplier diversity, with the goal of procuring goods and services from diverse businesses If yes, provide the supplier diversity policy statement below: State Farm promotes the inclusion of diverse businesses in the vendor selection process. Additionally, Purchasing can assist business areas with Purchases that are sensitive to sustainable and environmentally-sound business practices. - Provide a list of all documents in which the statement can be found (i.e. website, co. / group report, board charter, etc.): **Procurement Policy** - If the state is available online, provide link here: n/a If no, but will be creating one within the next 12 months, provide a timeline for when your co. / group expects the policy statement to be completed and any other details available at this time (i.e. policy language, policy creation team, etc.): n/a If no, please explain why: n/a 2. Does your company / group have a supplier diversity program? YES A supplier diversity program is any formal plan and / or structure that has been setup specifically for the company / group to implement its supplier diversity policy statements. If yes, provide an overview of the program:

State Farm's supplier diversity program is enterprise wide and based within the Administrative Services department. The program was established in 1998 to grant opportunities to women and minority owned companies. Since then, the program has grown to include 9 diverse categories. The program is led by a manager and includes two dedicated team members. Supplier diversity liaisons are located across the enterprise that assist with supplier diversity efforts in their local areas. State Farm tracks and reports Tier 1 and Tier 2 spend with certified diverse suppliers to increase opportunities with MBEs, WBEs, LGBTBE's, Veterans and People with Disabilities.

176

program to begin and any other details available at this time (i.e. program plan, program director, etc.):
n/a
If no, please explain why:
n/a
Does your company / group conduct outreach specifically to diverse businesses? YES
If yes, respond to parts a, b, c, d, and e below.
a. Share all company / group outreach and communication strategies and practices that are conducted specifically to diverse businesses. Specify what outreach is conducted specifically to California diverse businesses:
State Farm reaches out to minorities, diverse enterprises and communities through the efforts of the State Farm Supplier Diversity Team, Diversity & Inclusion and Public Affairs. The Supplier Diversity Team works directly with diverse and minority enterprises to provide State Farm products and services to meet business needs. State Farm is a member of national organizations that encourage and foster inclusion of diverse businesses in the procurement process. By attending national and local supplier diversity conferences, the supplier diversity team networks with corporate partners to develop strategies and implement best practices to promote diverse and minority businesses. State Farm is a member of the Financial Services Round Table for Supplier Diversity, which provides opportunities to educate, coach and source diverse suppliers. In the state of California local supplier diversity liaisons attend minority/diverse conferences and business fairs. We have also sponsored local diversity events within the state to connect with diverse business enterprises and support their growth efforts. The Supplier Diversity Team efforts to reach out and communicate with minority and diverse enterprises include: Organization/Activity Affiliation Advertise Other MidStates Supplier membership ad trainingDevelopment Council Chicago Business attendee ad brandingOpportunity Fair Minority Business Hall of Fame attendee none brandingNational Minority Supplier member ad, exhibitor brandingNational Council US Hispanic Chamber of Commerce member ad brandingNational Council US Hispanic Chamber of Commerce member ad, exhibitor trainingSouthern California Minority member ad, exhibitor training, brandingBusiness Development Council Northern California Minority member ad, exhibitor training, branding Business Development Council
b. Share any outreach and communication strategies and practices about supplier diversity conducted internally to company / group employees:
Supplier Diversity has a virtual training that is available to all employees. Included in our virtual training is a message from our Chairman and CEO, Ed Rust, sharing his commitment and support of State Farm's Supplier Diversity Program. All purchasing associates are required to take a Supplier Diversity course as part of their onboarding process. Purchasing associates utilize an internal supplier database to locate diverse suppliers when opportunities arise. If a purchasing associate is unable to locate a diverse suppliers within the internal database, a member of the supplier diversity team will search national certifying agencies to locate MWDVBE's. Company diversity spend is reported quarterly to executive management and purchasing associates. Annual meetings are held with executive leadership to provide updates on the status of Supplier Diversity. State Farm has recognized employees that have contributed to State Farm's Supplier Diversity goals and accomplishments.
c. Check below all outreach and communication practices in which your company / group engages:
EVENT – seminars, meet-and-greets, summits, etc.
☐ Host matchmaking

3.

☐ Host supplier diversity events
☐ Internal Awards Program
✓ Participate in matchmaking
✓ Participate in supplier diversity events
☐ Sponsor matchmaking
✓ Sponsor supplier diversity events
Share the name of an event you attended / hosted that has best guided and / or influenced growth of your Supplier Diversity efforts:
Examples include the USHCC Conference, NGLCC conference and USPAACC.
MEDIA – advertising, announcements, interviews, webinars, etc.
✓ Traditional media (newspaper, television commercial, etc.)
✓ Ethnic media outlets
☐ Social media; please specify:
☐ Trade publications
Share the name of a media group or outlet that has best guided and / or influenced growth of your Supplier Diversity efforts:
DiversityComm Magazine, Black Enterprise Magazine
ORGANIZATIONS – membership, affiliation, sponsorship, etc.
✓ Member of a certification agency
✓ Member of ethnic chamber of commerce
☐ Member/affiliate of other organization, please specify:
Share the name of an organization that has best guided and / or influenced growth of your Supplier Diversity efforts:
National Minority Supplier Development Council, Women Business Enterprise National Council, Unites States Hispanic Chamber of Commerce, United States Pan Asian American Chamber of Commerce and Financial Services Round table for Supplier Diversity
PROGRAMS – mentorship, training, locator, etc.
☐ Diverse supplier registration portal
☐ Manage and run a supplier diversity mentorship program (in-house)
☐ Participate in a supplier diversity mentorship program
✓ Subscriber to a supplier locator program (or 3rd party service that identifies diverse suppliers)
✓ Operate a website dedicated to a Supplier Diversity Program
https://b2b.statefarm.com/b2b/supplier_diversity/index.shtml
☐ Technical assistance / training program for diverse suppliers
Share the name of a program that has best guided and / or influenced growth of your Supplier Diversity efforts:
National Minority Supplier Development Council Partners for Profit event

d. Explain how, and to what extent, these strategies and practices have been successful in establishing relationships with diverse businesses:

As members of various diverse certifying agencies, the Supplier Diversity team has connected with several MWDVBE's. We have participated on panels to educate diverse suppliers on best practices to conduct business with State Farm. We have added new sup

- 4. Does your co. / group require and/or encourage its primary suppliers to subcontract with diverse businesses? **YES**If yes:
 - a. Do you track procurement spend with Tier 2 diverse suppliers? YES
 - b. Please explain:

State Farm tracks Tier 2 diversity spend with the top 60 primary suppliers on a quarterly basis. Each quarter, primary suppliers are required to report their diversity spend. A reminder email is sent out 45 days before the report is due. We collect the

5. Does your co. / group set internal targets or goals in regards to its supplier diversity statement and / or program? **YES** If yes, please explain:

The company sets an annual diversity spend goal percentage based on company projections. The spend goal is included within the Employee Performance Review of each purchasing associate.

6. Describe in detail any updates, progress, and / or best practices established by your company / group in the two years since the 2013 Insurer Supplier Diversity Survey was administered; include any awards or recognition received for Supplier Diversity work:

Since 2013 the company has become members of the National Gay & Lesbian Chamber of Commerce. We have received an award from Black Enterprise Magazine as one of the top companies for Supplier Diversity. Since 2013's survey ,we have implemented a virtual enterprise training, providing the opportunity for every State Farm associate to be educated on Supplier Diversity.

7. Additional Comments:

8. Points of contact for the company's / group's supplier diversity operations for diverse business enterprises:

PRIMARY CONTACT

Contact Name: Manuel Cordero

Title: Manager

Phone Number: **309-766-4959**

Email Address: manuel.cordero.cv6p@statefarm.com

Mailing Address 1 State Farm Plaza, Bloomington, IL 67161

SECONDARY CONTACT

Contact Name: **Tim McManaman**

Title: **Director**

Phone Number: **309-766-1369**

Email Address: tim.mcmanaman.cd82@statefarm.com

Mailing Address 1 State Farm Plaza, Bloomington, IL 61761

GENERAL CONTACT

Contact Name: State Farm Supplier Diversity Team

Title:

Phone Number:

Email Address: home.adsv-purch-sfdiversity.526o00@statefarm.com

Mailing Address One State Farm Plaza, Bloomington, IL 61761

LIST OF COMPANIES INCLUDED IN THIS REPORT

Company Name	Company NAIC Number
STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY	25178
STATE FARM GENERAL INSURANCE COMPANY	25151
STATE FARM FIRE & CASUALTY COMPANY	25143
STATE FARM LIFE INSURANCE COMPANY	69108