



2022 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, LGBTQ+, HUBZone, disabled, and small disadvantaged owned businesses. In 2022, Evergy's work with diverse businesses led to more than \$3.4 billion in contributions to the U.S. economy and sustained more than 17,435 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 small, minority, women, veteran and LGBTQ+ 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 written in a cursive, flowing style.

David Campbell

President and Chief Executive Officer

About Energ

Energ is committed to delivering clean, safe, reliable energy to our customers while employing a diverse workforce and supporting the communities we serves. 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 Energ, electric vehicle charging stations, or the next innovation around the corner, Energ is dedicated to empowering a better future.

Energ 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 Energy 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

Community Investments

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. Our [community impact strategy](#) is designed around Community Vitality and Environmental Leadership.

EVERGY IN 2022

Community Impact by the Numbers



24,742

employee volunteer hours



\$760,000

in employee donations



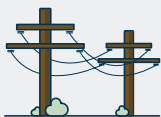
28% of Employees

participate in giving campaigns



\$7.4 Million Community Donations

More than **4 million** going towards vulnerable communities and historically underserved populations, job growth, expansion, and retention



\$52 Million in utility assistance secured for Evergy customers



35,000 customers helped through customer outreach and Connect

Financial Community Contributions

Evergy's community strategy was designed to adjust to the changing needs of our customers and communities. In this spirit we continue to focus on community vitality and environmental leadership while we also direct significant resources to our more vulnerable customers and historically underserved communities. In 2022, Evergy invested more than \$7.4 million in our communities focusing on environmental leadership and community vitality. Of that, \$2.3 million was to help start, retain and expand business and jobs, \$2 million to vulnerable communities, \$1.1 million to environmental efforts and \$800,000 toward diversity, equity and inclusion programs.

Community-based Environmental Leadership

In 2022 Evergy dedicated more than \$1.1 million in community contributions toward sustainability and conservation efforts, nature-based carbon sequestration and heat island mitigation. The Green Team conducted 64 projects dedicating 2,846 hours in volunteerism. They collected 500 tires and tons of trash from Kansas River, and planted more than 2,000 trees.



Since 1989, our volunteer, employee-driven **Green Team** has completed thousands of projects restoring hundreds of acres of wetlands, thousands of acres of prairie and planting more than 30,000 trees. Partnering with agencies, non-profits, and schools, we protect, preserve, and educate.

Community Impact in Action

As part of our Community Vitality initiative, we developed an Evergry Hometown Grants program that focuses on helping local non-profits spread good energy and receive up to \$10,000 for community improvement projects. A team of Evergry employee volunteers for one day. Our 2022, Hometown Grants recipients included Noyes Home for Children, Girl Scouts of Northeast Kansas and Northwest Missouri, Kansas State Rose Gardens, and Negro Leagues Baseball Museum. 2022 and 2023 award winners' projects can be found on our [Hometown Grants website](#).



Part of the nearly \$7.4 million in Evergry's community investments were distributed as grants to organizations that support small businesses such as Create Campaign, Restart Kansas, G.I.F.T. and Keystone Innovation District. One example of the impact of this support was in Wichita, KS. Through Evergry's partnership with Create Campaign, Raquel Ramirez opened her Roxie's on the River restaurant in 2018. As she navigated the impact of COVID-19, she applied for an Evergry Economic Relief Grant in 2021 and purchased a food truck. Both are thriving today, and Roxie is known as "The Cinnamon Roll Lady."

Supporting Vulnerable Customers and Communities

In 2022, Evergry's Corporate Social Impact program made an intentional shift in community investments and customer support to address energy burden, access to equity, and capacity building. 2022 highlights of Evergry's Corporate Social Impact program include:

- Worked face-to-face with more than 35,000 customers and secured more than \$52 million in utility payment assistance.
- Opened a second Evergry Connect customer walk-in facility to provide customized, face-to-face support and linkages to payment and social service resources.
- Provided millions in grants to agencies that work with disadvantaged and underserved communities.
- Decreased energy burden by linking income-eligible customers to an array of programs and wrap-around services.
- Invested in agencies that help fund and develop minority-owned small businesses.
- Made key investments in agencies addressing policy to positively affect equity issues.

Environmental Justice

With a lower-carbon future in our sights, Evergy realizes challenges and opportunities arise as we transition to clean, reliable, and affordable energy sources. Evergy strives to meet the needs of our customers and stakeholders by offering several programs that seek to equitably distribute decarbonization costs and benefits with our customers' needs in mind. Addressing these challenges takes considerable foresight and careful planning so we understand the implications of our clean energy transition and can mitigate impacts to the extent practicable for disadvantaged communities.

In 2022, Evergy formed an internal, cross-functional, working group to define Evergy's Environmental Justice (EJ) strategy and lead the company's EJ efforts. Members of the EJ working group include numerous business units across Evergy including Environmental Services, Corporate Sustainability, Energy Solutions, Social Impact, Investor Relations, Corporate Communications, Generation, Legal, External Affairs and Diversity, Equity, and Inclusion. One key outcome of the EJ working group will include developing and implementing community engagement plans for areas identified in Evergy's service territory as a disadvantaged community. Evergy has utilized the Environmental Protection Agency's (EPA) EJ screening tool as well as the Department of Energy's (DOE) Disadvantaged Communities Reporter to identify each disadvantaged community and to help quantify the impacts on these communities. This data will be used to facilitate more deliberate efforts to positively impact these communities.

Evergy currently has programs within these communities, such as customer energy payment assistance and energy savings programs and outreach, residential tree giveaways for energy efficiency and community beautification and conservation. During 2022, Evergy planted more than 2,000 trees in the Kansas City Metro area at large that engaged nearly 1,000 homeowners. This program had a positive environmental impact such as pollution absorption, energy savings, and stormwater filtration. Additional Evergy initiatives and programs that support our communities are economic development, energy equity, energy efficiency, and community impact.

Energy Equity for Customers

Evergy offers many income-eligible programs that are designed to reduce electric usage at a resident's home. These include:

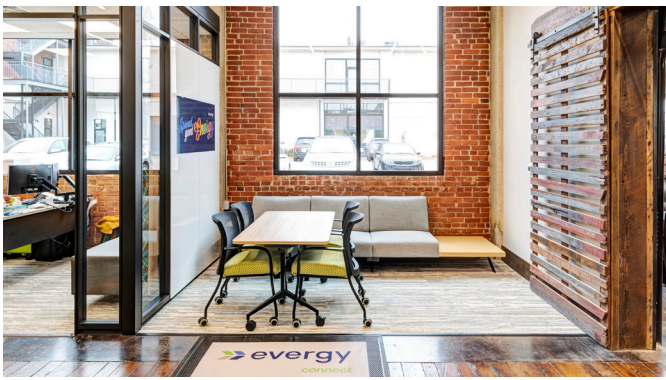
- Weatherization – Evergy's program is modeled after DOE Low-income Weatherization Assistance Program to deliver weatherization measures free of charge to qualified homes and customers.
- Multi-family – Free in-unit upgrades like lighting, faucet aerators, smart power strips direct installed by Evergy to help improve efficiency for tenants as well as holistic rebates to building owners for investing in upgrades to public area lighting, building heating, ventilation and air conditioning (HVAC), and insulation.
- Low-income Leadership Assistance Collaborative – Started in 2020 as a group of Kansas City area companies and agencies to exchange ideas on how to best serve the low-income customers in our footprint with the variety of programs focused on energy, health, and safety.
- The Economic Relief Pilot Program (ERPP) helps to ease the pain of monthly bills and provide help to budget eligible customers' monthly expenses. This program provides those with an income at or below 200% of the current federal poverty level with a credit of up to \$65 per month, for a maximum of 12 consecutive months if the customer qualifies.

- Customer Outreach Teams and Every Connect conduct almost 300 events annually to meet with customers throughout our territory to link them to energy payment and savings assistance. Additionally, Every's two walk-in facilities provide face-to-face customer service allowing for customized solutions to energy payments and usage.
- Dollar Aide and Project Deserve – Every provides donations to these programs to help income-eligible customers with their utility bills.



15,000

Every Connect in KC and Wichita served more than 15,000 customers in 2022.



This new Wichita site joins our Kansas City location to offer in-person engagement for the two most heavily populated Metro areas in our service area.

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 with Our Prime Non-Diverse Suppliers

\$2.1 Billion

 Total Purchases

\$3.7B
Production Impact



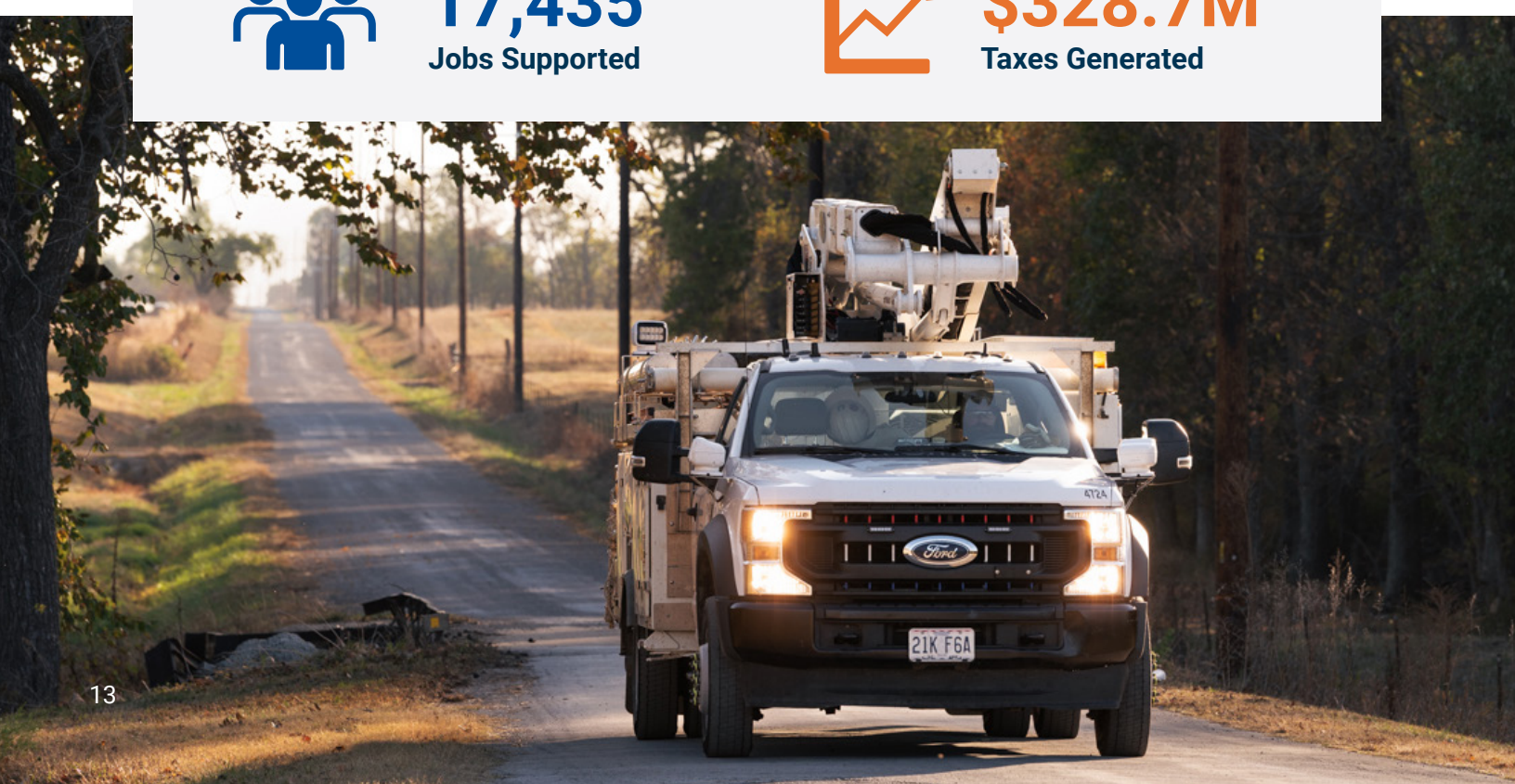
\$1.2B
Wages Supported



17,435
Jobs Supported



\$328.7M
Taxes Generated



Supplier Diversity Program

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

“Supplier Diversity helps move our company forward by building economically strong communities. At Evergy, We are Committed to our Community. We are increasing direct spend with diverse supplier and including diverse suppliers in our subcontracting efforts.”

Valerie Coyazo

Lead Supplier Diversity Manager, Evergy



Evergy Supplier, **Thorne's Tree Service**
Women-owned business

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 at least 2 diverse suppliers** in all contracts of **\$700K** or more.



Light Source Mentoring Program



Light Source

Evergy 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 Evergy 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 Participant



Mary McNamara
Owner and President, *Cornell Roofing*

Our Programs' 2022 Economic Impact

\$270.5 Million

Total spend with **small and diverse suppliers**



\$484.9M

Production impact of our program

Cumulative revenues of all businesses impacted through the program.

\$270M Direct

\$101M Indirect

\$114M Induced

2,475

Jobs Supported

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

1,376 Direct

472 Indirect

627 Induced



\$180.6M

Wages Supported

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

\$105M Direct

\$37M Indirect

\$38M Induced

\$54.4M

Taxes Generated

Taxes generated in local, state and federal taxes.



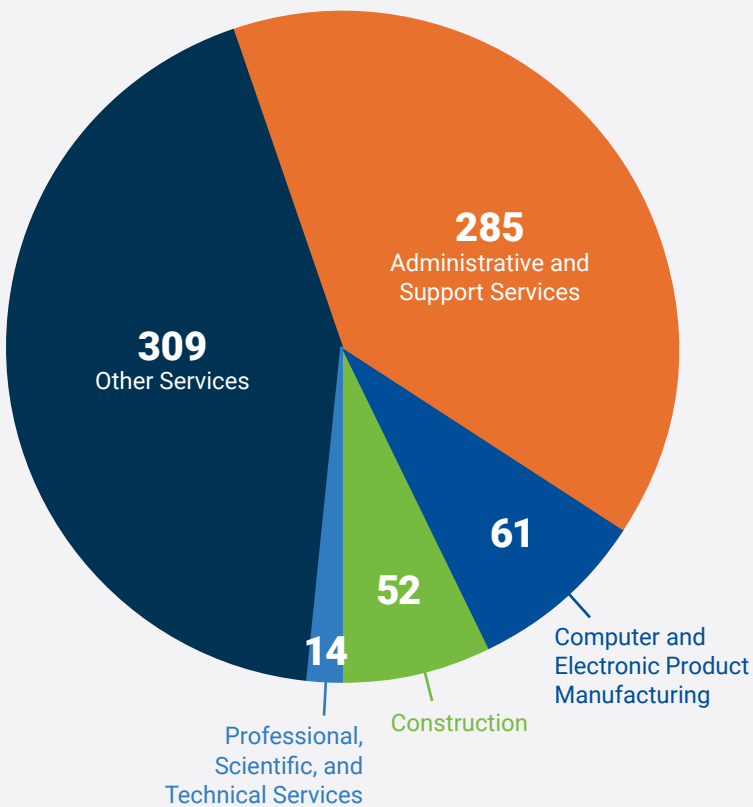
Impact on Minority-Owned Businesses

\$125.7M Everygy Spend

734 Jobs Supported

\$58M Wages Earned

Top 5 Job Industries Supported by Minority-Owned Suppliers



Robert Valdes,
Valdes Architecture & Engineering
2022 MBE of the Year Award Recipient

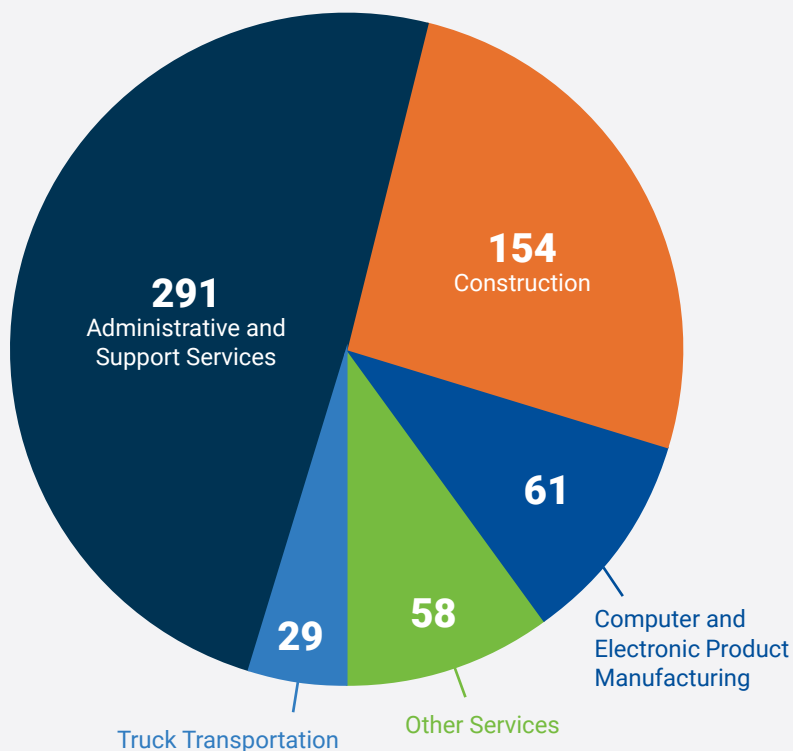
Impact on Women-Owned Businesses

\$131.7M Everygy Spend

658 Jobs Supported

\$47.1M Wages Earned

Top 5 Job Industries Supported by Women-Owned Suppliers



Karen Halbrook, Halbrook Wood Law Firm
Woman-owned business

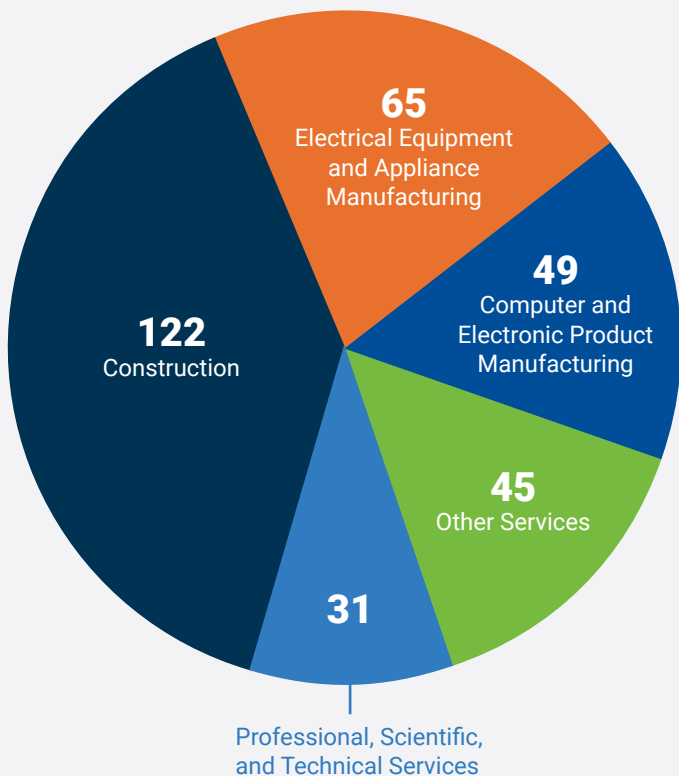
Impact on Small Businesses

\$92.8M Every Spend

363 Jobs Supported

\$28.2M Wages Earned

Top 5 Job Industries Supported by Small Businesses



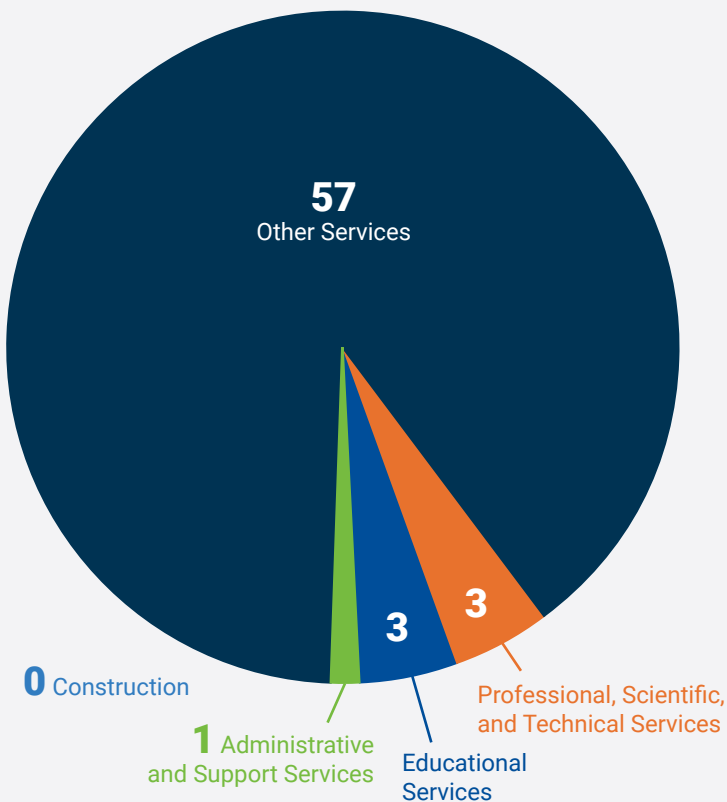
Impact on Veteran-Owned Businesses

\$8.6M Everygy Spend

64 Jobs Supported

\$4.4M Wages Earned

Top 5 Job Industries Supported by Women-Owned Suppliers



Evergy Impact by State



Our Economic Impact in Kansas

\$319.1 Million

Purchases from Kansas based business

**Multiplier effect
of our spending
in Kansas**

\$526.9M Total Production Contribution

2,554 Total Jobs Supported

\$150.9M Total Incomes Earned

\$46.3 Million

Purchases from diverse and small
Kansas based businesses

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

\$80.6M Production Contribution

416 Jobs Supported

\$25.9M Incomes Earned

Our Economic Impact in Missouri

\$465.2 Million

Purchases from Missouri based business



**Multiplier effect
of our spending
in Missouri**

\$874.5M Total Production Contribution

4,856 Total Jobs Supported

\$323.5M Total Incomes Earned

\$67 Million

Purchases from diverse and small
Missouri based businesses



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

\$115.7M Production Contribution

539 Jobs Supported

\$37.8M Incomes Earned

Energy State Impact

State	Energy's Diverse & Small Business Spend	Total Production	Total Jobs	Total Wages
MO	\$66,981,980	\$115,687,430	539	\$37,751,476
NJ	\$57,098,446	\$103,938,017	499	\$40,346,490
IL	\$54,399,905	\$101,965,512	583	\$47,364,452
KS	\$46,349,333	\$80,598,360	416	\$25,877,321
IA	\$9,480,769	\$14,982,682	77	\$4,775,602
AZ	\$7,368,256	\$15,121,723	106	\$5,944,111
MN	\$5,796,991	\$12,296,689	62	\$4,537,607
TX	\$5,259,441	\$11,743,604	45	\$3,488,052
GA	\$4,720,449	\$8,122,374	36	\$2,502,230
WY	\$3,447,408	\$5,478,979	47	\$3,111,849
PA	\$3,114,680	\$4,376,426	14	\$1,000,251
AL	\$1,521,329	\$2,644,840	16	\$1,118,083
CA	\$1,398,962	\$1,722,481	2	\$263,897
WA	\$1,069,481	\$2,047,771	11	\$965,989
NH	\$485,326	\$898,167	5	\$540,531
AR	\$456,860	\$456,860	0	\$0
FL	\$349,876	\$704,004	4	\$279,505
NY	\$282,220	\$559,132	4	\$252,366

Evergy State Impact

State	Evergy's Diverse & Small Business Spend	Total Production	Total Jobs	Total Wages
CO	\$237,399	\$405,879	2	\$122,632
NE	\$223,609	\$404,557	2	\$138,131
OH	\$149,857	\$288,307	3	\$113,727
MD	\$148,165	\$224,529	1	\$60,270
OK	\$67,887	\$113,848	1	\$29,446
WV	\$48,464	\$70,441	0	\$14,332
NC	\$9,500	\$15,548	0	\$3,562
ME	\$2,008	\$3,428	0	\$805

Awards & Recognition

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

2021

Innovation Award – Evergy
Edison Electric Institute

Above and Beyond Award – Evergy
Asian American Chamber of
Commerce of Kansas City

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



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, **Dakota Matting**
Minority and women-owned business

Thorne's Tree Service

POWERful Women in Energy – Heather Thorne, CEO

Meet Heather Thorne, chief executive officer, Thorne's Tree Services, a POWERful Women in Energy. This woman and family-owned business has been a key supplier and partner of Evergy since 1986. When an Evergy executive met one of Thorne's crews working in the Kansas City area, he was immediately impressed with their skills and asked them to set up a meeting to discuss working with KCP&L (now Evergy).

Delores Thorne, Heather's mother, founded the business and participated in our Light Source Executive Mentorship program. Through the support of one of our vice presidents she grew her company from two full time employees in 1986 to a crew of 27 full time employees today.

When Delores retired a few years ago, her daughter, Heather, took over the role of CEO. Currently, she handles the daily operations and office responsibilities for the company. Frequently, she can be found in the field working alongside her crew.

Thorne's Tree Services excels in restoration and maintenance and helps Evergy deliver the best service to our customers.

The Light Source program has been critical in providing introductions to other Evergy suppliers for Thorne's Tree. These relationships have resulted in additional work for Thorne's and allowed them

to purchase new tree trimming equipment for their company. They continued working through the pandemic and retained all their employees during this challenging time. In addition, they added full-time spray crews and are doing land restoration, ground restoration and vegetation management in our service area.

Thorne's Tree Service has demonstrated how a small women owned company can grow when mentored by Evergy's People First culture and we are proud to be partners.



Internal Business Partners

Honoring companies and employees who have championed Evergy's supplier diversity initiative

Evergy offers a unique diverse supplier mentoring program, Light Source. The program pairs emerging local diverse businesses with an Evergy executive to help guide their ability to work with companies like Evergy.

"We believe supplier diversity is important to the way we do business," said Marc Welsh, senior director of supply chain. "Every year we are honored to celebrate the diverse suppliers of quality products and services in our network, and also the employees who support, sponsor and champion those endeavors."

The Halbrook Law Firm won the Light Source Award, created to celebrate the graduation of one of our Light Source Executive mentees.

Valdes Engineering won the MBE Supplier of the Year award, given to a minority-owned business that exemplifies excellence in service and business success.

The Chairman Award, the highest award presented to an Evergy employee or team who has distinguished themselves as truly extraordinary practitioner of diverse business, was presented to the **distribution, design, scheduling and construction team at Evergy.**



Evergy's Distribution, Design, Scheduling and Construction Team

Teamwork makes the dream work

Congratulations, Transmission and Distribution Procurement team!

The Evergy Supplier Diversity team recently hosted the Transmission and Distribution Procurement team to present the Winning Spirit award for their hard work and dedication to including small and diverse suppliers in their bid opportunities.

"At Evergy, we believe supplier diversity is important to the way we do business, so every year we are honored to celebrate the employees who support, sponsor and champion those endeavors," said Valerie Coyazo, lead supplier diversity manager.



Evergy's Transmission and Distribution Procurement Team



Valerie Coyazo, Lead Supplier Diversity Manager and Nathan Swartz, Senior Manager Procurement

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>

