

Annual Report on Business Diversity

for the Illinois Commerce Commission

Ameren Illinois Company
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Collinsville, IL 62234

Richard J. Mark, Chairman & President
Ameren Illinois Company

2019

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I. PRESIDENT'S MESSAGE



As Ameren Illinois, we are focused on powering the quality of life throughout our 44,000-square-mile Illinois service territory. Awarding work to diverse-owned businesses that can perform in our system is critical to Ameren Illinois' success. We believe diverse-business utilization plays a significant role in contributing to the economic growth, job creation, and social well-being in our communities, our state, and our region.

In 2019, we completed a \$22 million joint venture for the construction of our Peoria, IL operating center. The joint venture lead partner was a minority business located in the Peoria area. The joint venture afforded the minority business and other local diverse firms an opportunity to build and grow their financial capacity, management and field experience.

Overall, in 2019, Ameren Illinois spent \$362 million with diverse-owned businesses. Our 2019 spending had a total economic output in Illinois of \$776 million and supported 3,930 Illinois jobs. (See Economic Impact Study, Appendix B.)

Since 2017, Ameren Illinois has experienced a 67% increase in spending with diverse businesses. We will continue to invest in the education, training and development of diverse businesses located in Illinois. In 2019, we awarded a \$5,000 scholarship to an Illinois-based diverse business owner so they could attend the Minority Business Executive Program on the campus of Dartmouth College in Hanover, NH. We believe these scholarships help nurture and position our diverse businesses to grow so they can enjoy sustainable relationships with Ameren Illinois.

As the chairman and president of Ameren Illinois Company, I am invested in increasing opportunities for diverse-owned businesses, and I expect my business line leadership, Supplier Diversity team, and the supply chain to work together and be excellent at including diverse-owned businesses in the work we award.

Ameren Illinois has a special connection to the communities we serve. We believe creating a culture where diverse-owned businesses can flourish is a social-economic imperative for our region and our state and helps power the quality of life.

A handwritten signature in black ink that reads "Richard J. Mark".

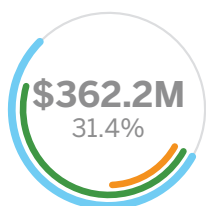
Richard J. Mark
Chairman & President
Ameren Illinois Company

II. AMEREN ILLINOIS BUSINESS DIVERSITY AT A GLANCE

2019

Economic Impact

\$362,252,927 Total Diverse Spend



■ **WBE Spend:**
\$153.7 Million

■ **MBE Spend:**
\$166.1 Million

■ **VBE Spend:**
\$42.4 Million

- 67% increase in total diverse spend since 2017

- \$776M in value-added economic activity in Illinois triggered as a result of diverse spend
 - Of that, \$228.2M was household earnings



State of Illinois


- 405 diverse businesses in Illinois
- \$156M in spend with businesses located in Illinois
- 52 new supplier relationships
- 3,930 jobs supported

Supplier Education and Development



- \$5K scholarship awarded for the Minority Business Executive Program at Dartmouth College
- 15 Dartmouth scholarships awarded since 2019
 - 11 MBEs
 - 4 WBEs
- \$83.8M spent with 15 Dartmouth suppliers located in Illinois

Diverse Performance in Key Categories

| | | | | | | |
|--|--|--|--------------------------------------|---------------------------------|---|---|
| Investment Banking \$183.8K* | Information Technology \$24.8M | Engineering & Architectural Services \$9.6M | Environmental \$2.3M | Legal \$1.6M | HR \$16.9K | Professional Services \$10.5M |
| Energy Delivery Maintenance & Construction Services \$100.6M | Gas Construction \$61.3M | Facilities Maintenance & Construction Services \$13.9M | Pole Line Hardware \$17.3M | Meter Services \$9.5M |  | |

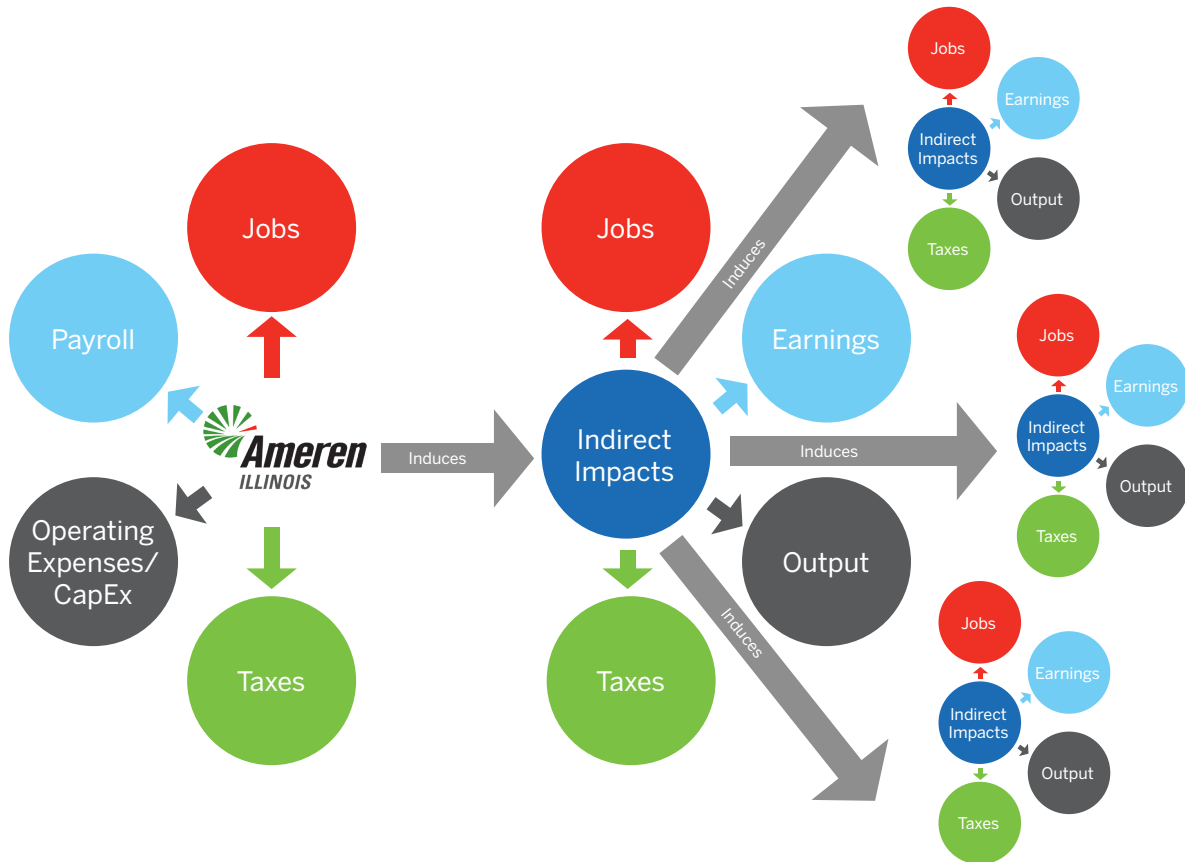
*Fees from \$300 million in bond offerings co-managed by four diverse investment banking companies

(See Diverse Expenditures by Category and Classification, Appendix A.)

ECONOMIC IMPACT OVERVIEW

INTRODUCTION

Economic impacts manifest themselves in a number of ways. They are triggered through the spending of a business or a consumer (or other economic entities) on purchases of goods and services. This spending also supports other businesses that use that money a “second time” to pay for their operations which, in turn, continues a multiplier effect as that money continues to be respent (or “ripples”) through the economy. Moreover, employees are paid wages and salaries and their subsequent household spending in their communities triggers multiplier effects.



DIRECT ECONOMIC IMPACTS are represented here by the dollars spent by Ameren Illinois with diverse suppliers.

INDIRECT ECONOMIC IMPACTS measure the “multiplier effect” of the diverse supplier spending. The direct spending on diverse service providers and contractors ripples through the service territory supporting other businesses and jobs; employees spend a large portion of their incomes near their homes at local businesses such as retail stores, restaurants, mechanics, housing and other services. Thus, every dollar and each job related to Ameren Illinois’ spending on diverse suppliers will contribute to additional job support across multiple economic sectors.

TABLE 1: ECONOMIC IMPACTS OF AMEREN ILLINOIS COMPANY'S DIVERSE SUPPLIER SPENDING ON ITS ILLINOIS SERVICE TERRITORY, 2019

| 2019 Total Economic Impact on Illinois | | |
|--|-----------------------------|-----------------|
| | IMPACT ON SERVICE TERRITORY | IMPACT ON STATE |
| OUTPUT | \$637,680,000 | \$776,381,000 |
| EARNINGS | \$186,154,000 | \$228,232,000 |
| JOBS | 3,130 | 3,930 |

Output: Total dollar change in the Illinois economy due to diverse spending from Ameren Illinois' operations.

Household Earnings: Total dollar change in earnings of households in Illinois due to diverse spending by Ameren Illinois.

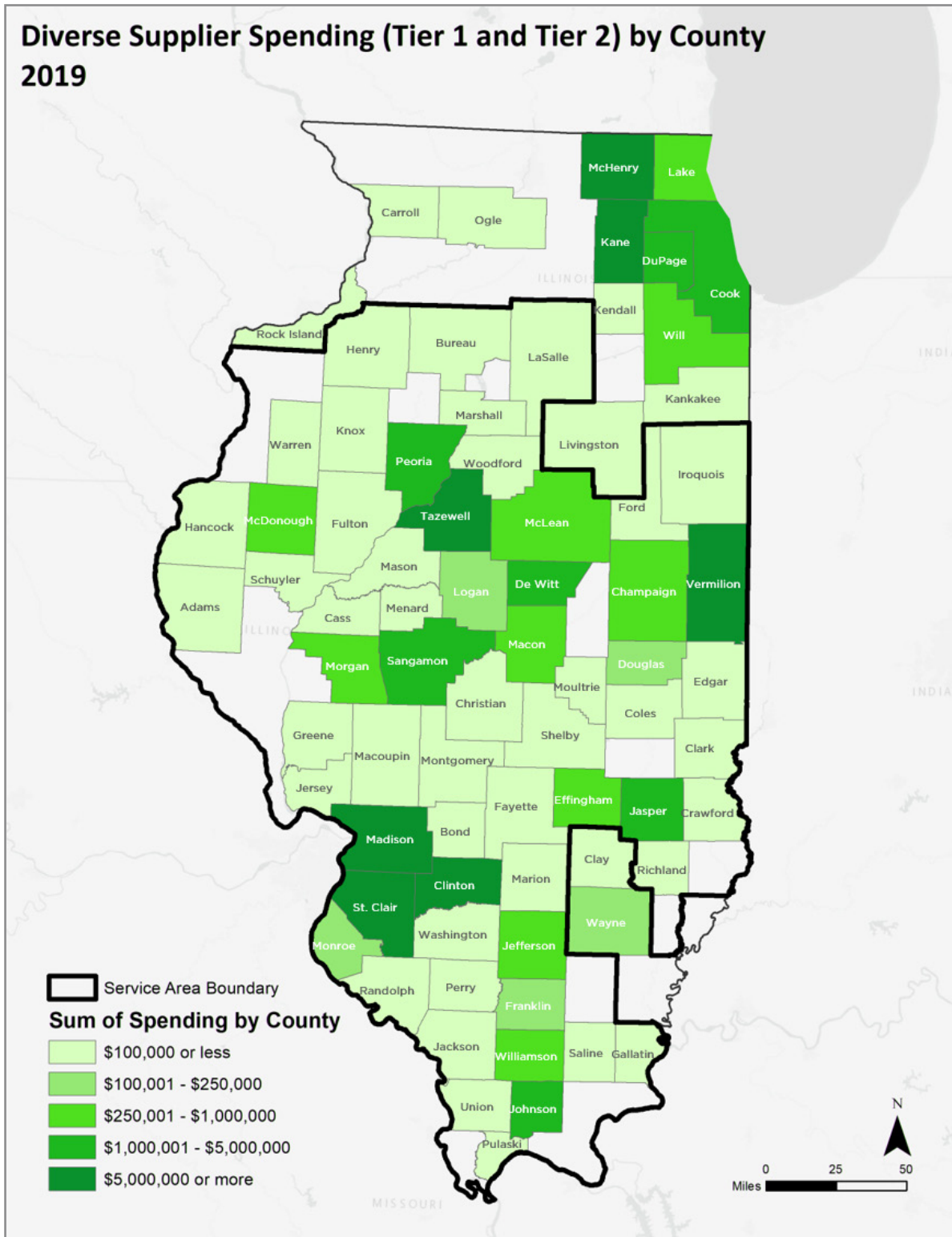
Jobs: Total change in number of jobs held by Illinois residents.

Three-Year Economic Impacts of Ameren Illinois Diverse Supplier Spending on the State of Illinois (2017–2019)

| | 2017 | 2018 | 2019 | 3-Year Total ¹ |
|------------------------|---------------|-----------------|-----------------|---------------------------|
| In 2019 dollars | | | | |
| Total Direct Spending | \$225,924,000 | \$365,336,000 | \$362,253,000 | \$953,513,000 |
| Indirect Output | \$468,756,000 | \$758,015,000 | \$776,381,000 | \$2,003,152,000 |
| Indirect Earnings | \$131,187,000 | \$212,138,000 | \$228,232,000 | \$571,557,000 |
| Indirect Jobs | 2,230 | 3,600 | 3,930 | 3,250 |
| Total Economic Output | \$694,679,000 | \$1,123,351,000 | \$1,138,634,000 | \$2,956,664,000 |

¹ In this case, indirect jobs reflects a three-year average, since a single job/position is likely carried over from year to year; adding indirect jobs supported over the three-year period would result in double and triple counting of a single position.

2019 DIVERSE SPENDING BY ILLINOIS COUNTY



Appendix B: 2019 Economic Impact Report

SUCCESS STORIES

Ameren Supplier Diversity

What our suppliers are saying.

“

The opportunities extended by Ameren has shown us that we are capable of doing bigger and better things. Our experience gained with Ameren has positioned us to expand our footprint across the Midwest, and Ameren's faith and trust has fueled our continued success.”

—David Mason

President and CEO, David Mason & Associates

You do not have to talk to David Mason, President and CEO of David Mason & Associates (DMA), for very long to know he is an entrepreneur at his core. Having started a paper route at 13 and a successful car washing business at 14, David was destined to be a business owner. DMA, a certified minority-owned business, is an engineering and architectural firm with offices in Illinois, Missouri, and Pennsylvania. The company celebrated its 30th anniversary in 2019 and now has more than 160 employees of which 42 percent are diverse. David credits his success to his compassion for people, future-focused mindset, and strong community relationships. David is an integral part of the local community, helping to shape its future, as well as building a legacy for his family.



“

Ameren has been very supportive of the growth of my company. With the help of Ameren, Endrizzi can provide local, well-paying jobs so that people within our community can stay here, work, and still support their families.”

—Amanda Endrizzi

President, Endrizzi Contracting

Endrizzi Contracting Inc., an Illinois-based certified woman-owned business, provides complete landscaping and outdoor design services. Mandy Endrizzi is a board certified physician's assistant turned entrepreneur. After years of managing a growing business while simultaneously supporting a demanding career, she decided to go ALL-IN and devote her time and energy toward what her heart truly loved — being a business owner. Mandy has created a thriving business in an area of Illinois where meaningful career opportunities are limited. Endrizzi Contracting Inc. has grown from four employees to approximately 50 employees. Mandy is building her business one experience at a time.



Ameren Supplier Diversity

What our suppliers are saying.



“

I am most proud of our work on the Ameren Illinois Gas Operations building and Ameren providing GIVSCO Construction an opportunity to have a seat at the table — not behind it, not beside it, but at the table.”

—Ronald Givens, Sr.

President & CEO, GIVSCO Construction

Retired Marine and serial entrepreneur Ronald Givens, Sr. bought his first business, JM Industrial, a materials supply company, in 1998 before deciding to diversify into construction. In 2011, he launched GIVSCO Construction, a certified minority- and veteran-owned enterprise. GIVSCO began by performing small jobs, but it soon was able to collaborate with their longstanding joint venture partner, River City Construction, to land multi-million dollar contracts to build and remodel military buildings for the U.S. government. In 2018, Ameren Illinois contracted with the GIVSCO/RCC joint venture to build a new, state of the art, \$22M gas operations center. This opportunity has allowed GIVSCO to gain invaluable knowledge about construction in the energy sector.

“

We appreciate Ameren's efforts and commitment to diversity and inclusion. Penserra was given the opportunity to co-manage an Ameren Illinois 30-year first mortgage bond offering in 2019, our first transaction with Ameren. We are honored to be a diverse banking partner and look forward to a long-term relationship with Ameren, a company that shares our goals and values.”

—George Madrigal

Founder and CEO, Penserra

George Madrigal, a Hispanic-American, was born and raised in Willits, a small rural northern California town. George founded Penserra in 2009 with the idea that a socially responsible minority-owned firm with diverse hiring practices could make a difference on Wall Street. Penserra, a certified minority-owned business, is a growing broker-dealer and investment banking firm serving institutional investors and corporate clients. It now has offices in New York, Chicago, and the San Francisco Bay area. Penserra is committed to providing their clients with quality coverage and consistent execution. Diversity of thought and perspective is a cornerstone of Penserra and has contributed to their success by empowering people to bring their full potential to their work. Penserra is proud that approximately 50% of their employees are from diverse groups. Embracing and promoting diversity provides a foundation for better problem solving and productive innovation.



III. TERMS AND DEFINITIONS

| Key Terms and Definitions | |
|---|--|
| AABE | American Association of Blacks in Energy |
| B&CS | Ameren Business & Corporate Services segment responsible for opportunities in HR, Finance, Building Services, Digital, Communications, etc. |
| CDT | Contract Development Team responsible for the implementation and execution of RFPs |
| CMSDC | Chicago Minority Supplier Development Council |
| Corporation | The investor-owned utility whose Illinois company operations are regulated by the ICC |
| EEI | Edison Electric Institute |
| Excluded Expenditures | Payments made for goods and services that are excluded from the calculations used in reporting diverse and total expenditures |
| Expenditures | The actual accounts payable dollars (spend) paid for the procurement of goods and services during a given reporting period |
| ILBCC | Illinois Black Chamber of Commerce |
| Long-term goal | Performance criteria established three to five years beyond the current reporting period |
| M/W/V/SBE Expenditures | The actual accounts payable dollars paid for the procurement of goods and services from third parties (M/W/V/SBEs) secured by the Corporation, either directly or through subcontracting |
| Minority Business Enterprise (MBE) | A business enterprise that is at least 51% owned by a minority individual or group; or if a publicly owned business, at least 51% of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more of such individuals |
| NMSDC | National Minority Supplier Development Council |
| Prime Contractor | A supplier who invoices the Corporation directly for goods and services rendered |
| RFI, RFQ, RFP | Solicited requests for information, quotes, and proposals |
| Small Business Enterprise (SBE) | A business enterprise that is independently owned and operated, is organized for profit, and is not dominant in its field. Depending on the industry, size standard eligibility is based on the average number of employees for the preceding 12 months or on sales volume averaged over a three-year period |
| Subcontract | A contract between a party to an original contract and a third party to provide all or a specific part of the goods or services required in the original contract |

| | |
|--|--|
| Subcontractor | A supplier with a subcontract with the prime contractor who invoices the prime contractor for services rendered |
| Supplier Diversity Goals | Established annual corporate and business segment supplier diversity utilization goals |
| Tier II Initiative | Process in which prime suppliers are expected to share in the supplier diversity goals of the Corporation by providing meaningful subcontracting opportunities to diverse suppliers in support of their contractual obligations to the Corporation |
| Veteran Business Enterprise (VBE) | A business enterprise that is at least 51% owned by one or more veterans, including service-disabled veterans. In the case of a publicly owned business, at least 51% of the stock is owned by one or more veterans and/or service-disabled veterans, and whose management and daily business operations are controlled by one or more of such individuals |
| WBDC | Women's Business Development Center |
| WBENC | Women's Business Enterprise National Council |
| Woman Business Enterprise (WBE) | A business enterprise that is at least 51% owned by a woman or women; or, if a publicly owned business, at least 51% of the stock of which is owned by one or more women, and whose management and daily business operations are controlled by one or more of such individuals |

| Schedule of Exclusions from Expenditures Reported | |
|---|----------------------------------|
| Board of Directors | Fuel/Coal/Interchange |
| Civic | Government and Regulatory |
| Confidential | Municipality/Utility |
| Contributions | Nuclear Fuel |
| Corporation (Intra-Entity Payments) | Rail Leasing |
| Customer Accounts | Rail Maintenance |
| Employee – Other Payments | Railroad |
| Facilities' Site Utilities | Real Estate |
| Fuel Works Supplier | Telecom Services |

IV. SUMMARY OF WOMAN-OWNED, MINORITY-OWNED, VETERAN-OWNED, AND SMALL BUSINESS ENTERPRISE GOALS AND SPENDING IN CALENDAR YEAR 2019

**TABLE 2: AMEREN CORPORATION'S
M/W/V/SBE EXPENDITURES AND VENDOR UTILIZATION**

(in thousands)

| Ameren Corporation with All Suppliers | | | | | |
|---------------------------------------|------------------|------------------|------------------|--------------|--------------|
| | | | | % OF OVERALL | |
| SPEND CATEGORY | TOTAL | | | ACTUAL* | GOAL* |
| Overall | \$2,534,532 | | | 25.8% | 20.0% |
| | DIRECT | TIER II | TOTAL | ACTUAL | GOAL |
| MBE | \$214,227 | \$62,989 | \$277,216 | 10.9% | — |
| WBE | \$211,703 | \$98,531 | \$310,234 | 12.2% | — |
| VBE | \$37,060 | \$28,470 | \$65,530 | 2.6% | — |
| Total M/W/VBE | \$462,990 | \$189,990 | \$652,980 | 25.8% | 20.0% |
| SBE | \$325,934 | — | \$325,934 | 12.9% | — |
| Total All Categories | \$788,924 | \$189,990 | \$978,914 | 38.6% | — |

*Note: Actual and Goal percentages reflected do not include small businesses.

TABLE 3: AMEREN ILLINOIS COMPANY'S M/W/V/SBE EXPENDITURES AND VENDOR UTILIZATION

(in thousands)

| Ameren Illinois with All Suppliers | | | | | |
|------------------------------------|------------------|------------------|------------------|--------------|--------------|
| | | | | % OF OVERALL | |
| SPEND CATEGORY | TOTAL | | | ACTUAL* | GOAL* |
| Overall | \$1,151,989 | | | 31.4% | 23.0% |
| | DIRECT | TIER II | TOTAL | ACTUAL | GOAL |
| MBE | \$129,704 | \$36,421 | \$166,125 | 14.4% | — |
| WBE | \$98,095 | \$55,655 | \$153,749 | 13.3% | — |
| VBE | \$22,597 | \$19,782 | \$42,379 | 3.7% | — |
| Total M/W/VBE | \$250,396 | \$111,857 | \$362,253 | 31.4% | 23.0% |
| SBE | \$122,719 | — | \$122,719 | 10.7% | — |
| Total All Categories | \$373,115 | \$111,857 | \$484,972 | 42.1% | — |

*Note: Actual and Goal percentages reflected do not include small businesses.

BREAKOUT OF MINORITY SPENDING BY GENDER

(in thousands)

| Ameren Illinois Spend with Minority Men and Women | | | | | | | | |
|---|------------------|----------------|-----------------|----------------|------------------|-----------------|-------------|-------------|
| CLASSIFICATION | DIRECT | | TIER II | | TOTAL \$ | | TOTAL %* | |
| | Men | Women | Men | Women | Men | Women | Men | Women |
| Asian Pacific American | \$8,771 | \$10 | \$3,555 | — | \$12,326 | \$10 | 8% | — |
| African American | \$52,527 | \$2,080 | \$22,078 | \$5,807 | \$74,605 | \$7,886 | 48% | 68% |
| Hispanic American | \$62,380 | \$1,641 | \$2,922 | \$1,818 | \$65,302 | \$3,459 | 42% | 30% |
| Native American | \$2,054 | \$242 | \$241 | — | \$2,295 | \$242 | 1% | 2% |
| Total Minority | \$125,733 | \$3,972 | \$28,796 | \$7,625 | \$154,528 | \$11,597 | 100% | 100% |

*Note: Total % of minority spend by classification.

DIVERSE SPENDING HISTORICAL PERFORMANCE

While Table 3 represents the 2019 snapshot of Ameren Illinois' diverse spending, Figure 1 below illustrates the three-year historical performance of Ameren Illinois' diverse spending by diverse-business classification.

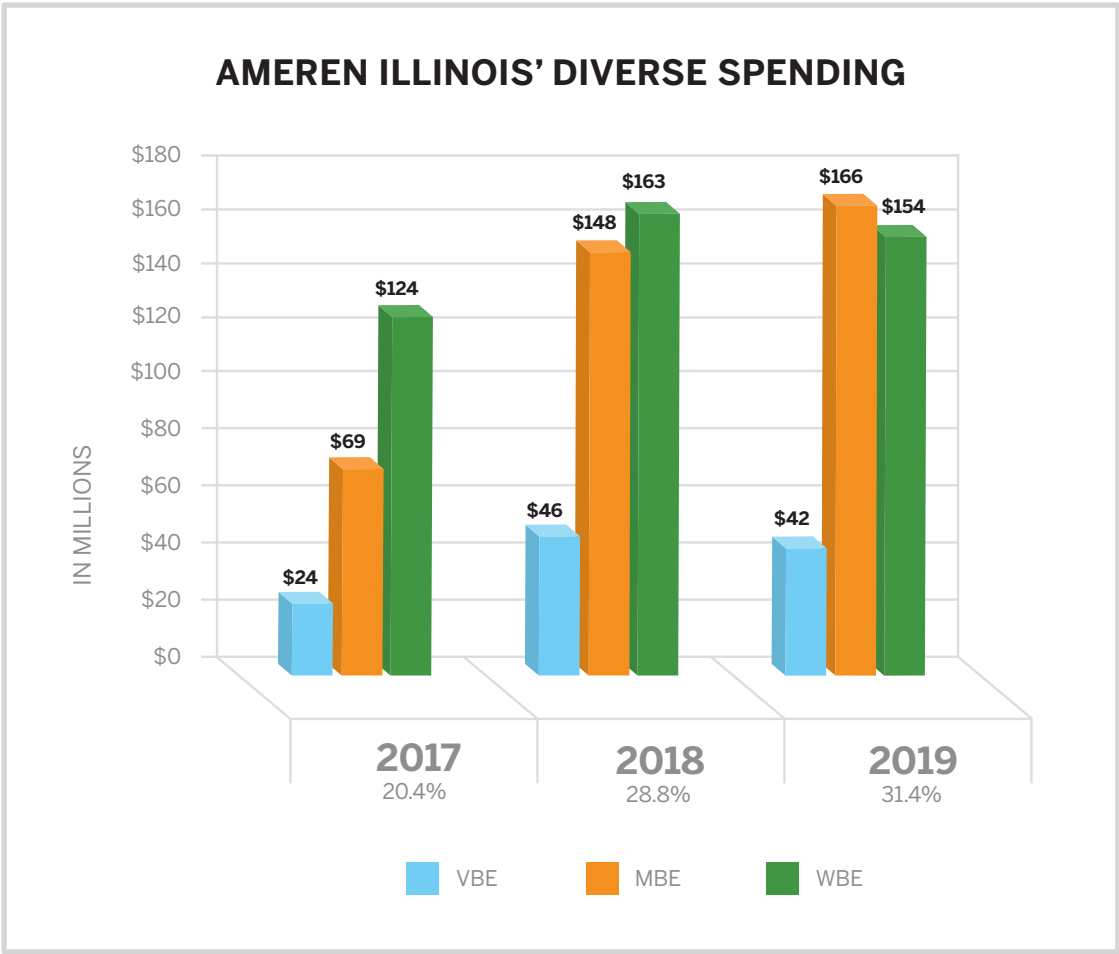


Figure 1: Three-Year Diverse Dollars by Classification

ENGAGING CONVERSATION: Richard J. Mark, chairman and president of Ameren Illinois, speaks with attendees at the Peoria Operating Center's grand opening.



KEY OPPORTUNITIES FOR DIVERSE SPENDING

Key opportunities and results for diverse-business spending in Illinois include the following:

1. Energy Infrastructure Modernization Act (EIMA).

The 2019 performance year goal for minority- and woman-owned business enterprises was established at \$16.3 million of electric capital dollar expenditures paid to minority- and woman-owned businesses, as provided for and approved in the Ameren Illinois Multi-Year Performance Metrics Plan. For the 2019 performance year, Ameren Illinois paid \$143.4 million of electrical capital expenditures to minority- and woman-owned businesses.

2. Qualifying Infrastructure Program (QIP).

Ameren Illinois' 2019 performance of \$81.8 million in diverse spend achieved the 2019 goal of \$16.1 million. The 2019 diverse spend continued to be strong due to gas construction projects and ongoing investment in the gas Automatic Meter Installation (AMI) program.

3. Energy Efficiency Plan.

2019 marked the second year of the Ameren Illinois energy efficiency plan pursuant to the Future Energy Jobs Act. Ameren Illinois completed the year with \$9.5 million in spend with diverse business enterprises. In addition, continued workforce training and development contributed to Ameren Illinois exceeding a \$7 million goal for additional spend for residential and business energy efficiency program participation through diverse contractors operating as program allies. Smart Savers, a key residential initiative, resulted in delivery of nearly 6,000 smart thermostats across 12 economically challenged communities throughout Central and Southern Illinois, which generated \$850,000 in economic growth in these areas with local and diverse HVAC contractors.

4. New Contract Opportunities with Ameren Illinois.

In 2019, Ameren Illinois created new opportunities for approximately 52 diverse businesses in key categories, including:

- Energy Delivery Maintenance and Construction Services
- Facilities Management
- IT – Software and Maintenance
- Professional Services
- Safety
- Vegetation Management Services

TABLES 4–6: AMEREN ILLINOIS COMPANY'S M/W/VBE SPEND BY PRODUCT/SERVICE CATEGORY

(in thousands)

| Spending with Minority Business Enterprises (MBE) | | | | | |
|---|------------------|-------------------|----------------|-----------------|------------------|
| CATEGORY | African American | Hispanic American | Asian American | Native American | TOTAL |
| 1. Energy Delivery Maintenance and Construction Services—Distribution | \$30,457 | \$17,091 | — | \$439 | \$47,987 |
| 2. Gas Services | \$631 | \$36,677 | \$40 | — | \$37,348 |
| 3. Facilities Maintenance & Construction Services | \$11,438 | — | — | — | \$11,438 |
| 4. IT Materials | \$10,097 | \$389 | \$2 | \$14 | \$10,502 |
| 5. Substation Materials | \$3,324 | \$63 | \$3,926 | — | \$7,313 |
| 6. IT - Software and Maintenance | \$6,565 | — | \$113 | — | \$6,678 |
| 7. Engineering and Architectural Services | \$3,112 | \$2,259 | \$765 | \$15 | \$6,151 |
| 8. Professional Services | \$1,966 | \$290 | \$3,501 | \$3 | \$5,761 |
| 9. Customer Facing Services | \$5,666 | — | — | — | \$5,666 |
| 10. Staff Augmentation | — | \$5,462 | — | — | \$5,462 |
| Total Top 10 MBE Spend | \$73,256 | \$62,232 | \$8,348 | \$471 | \$144,307 |

***Note:** Only the top 10 spend categories are listed.

STRONG PARTNERSHIPS: In 2019, minority-owned GIVSCO Construction Company partnered with River City Construction to complete the new Peoria, IL operating center.



| Spending with Woman Business Enterprises (WBE) | |
|--|------------------|
| PRODUCT/SERVICE | |
| Energy Delivery Maintenance & Construction Services Distribution | \$36,968 |
| Gas Services | \$22,114 |
| Wire & Cable | \$17,647 |
| Pole Line Hardware & Accessories | \$17,257 |
| Meter Services | \$9,501 |
| Vegetation Management Services | \$6,831 |
| Facilities Management | \$5,908 |
| Substation Materials | \$5,224 |
| Other | \$5,167 |
| Customer Facing Services | \$2,875 |
| Total Top 10 WBE Spend | \$129,491 |

*Note: Only the top 10 spend categories are listed.

| Spending with Veteran Business Enterprises (VBE) | |
|--|-----------------|
| PRODUCT/SERVICE | |
| Energy Delivery Maintenance & Construction Services Distribution | \$15,612 |
| Poles & Towers | \$6,788 |
| Vegetation Management Services | \$2,666 |
| Professional Services | \$2,628 |
| Transformers | \$2,472 |
| Facilities Maintenance & Construction Services | \$2,363 |
| Substation Materials | \$1,971 |
| Gas Services | \$1,848 |
| Legal | \$1,477 |
| Fleet Materials | \$1,399 |
| Total Top 10 VBE Spend | \$39,224 |

*Note: Only the top 10 spend categories are listed.

TABLE 7: AMEREN ILLINOIS COMPANY'S M/W/V/SBE EXPENDITURES AND VENDOR UTILIZATION WITH ILLINOIS-BASED SUPPLIERS

(in thousands)

| Ameren Illinois Company with Illinois-Based Suppliers | | | | | |
|---|------------------|-----------------|------------------|--------------|----------|
| | | | | % OF OVERALL | |
| SPEND CATEGORY | TOTAL | | | ACTUAL* | GOAL |
| Overall | \$440,643 | | | 35.6% | — |
| | DIRECT | TIER II | TOTAL | ACTUAL | GOAL |
| MBE | \$53,879 | \$10,075 | \$63,953 | 14.5% | — |
| WBE | \$52,778 | \$20,087 | \$72,865 | 16.5% | — |
| VBE | \$17,544 | \$2,450 | \$19,994 | 4.5% | — |
| Total M/W/VBE | \$124,200 | \$32,612 | \$156,812 | 35.6% | — |
| SBE | \$43,722 | — | \$43,722 | 9.9% | — |
| Total All Categories | \$167,922 | \$32,612 | \$200,533 | 45.5% | — |

*Note: Actual percentage reflected does not include small businesses.

SHARING IDEAS: Pardeep S. Gill, Vice President, Supply Chain and Chief Procurement Office for Ameren Services, speaks with diverse suppliers at the 2019 Ameren Diverse Supplier Symposium in St. Louis, Missouri.



TABLES 8–10: M/W/VBE SPEND BY PRODUCT/SERVICE CATEGORY

(in thousands)

| Spending with Illinois-Based Minority Business Enterprises (MBE) | | | | | |
|--|------------------|-------------------|----------------|-----------------|-----------------|
| Category | African American | Hispanic American | Asian American | Native American | TOTAL |
| Energy Delivery Maintenance & Construction Services Distribution | \$21,442 | \$245 | — | \$1 | \$21,688 |
| Facilities Maintenance & Construction Services | \$11,410 | — | — | — | \$11,410 |
| IT – Materials | \$10,097 | — | — | — | \$10,097 |
| IT – Software and Maintenance | \$6,565 | — | — | — | \$6,565 |
| IT – Consulting | \$1,228 | — | \$2,623 | — | \$3,851 |
| Professional Services | \$1,410 | \$56 | \$539 | \$3 | \$2,008 |
| Engineering & Architectural Services | \$1,665 | — | \$148 | — | \$1,813 |
| Surveying | \$1,580 | — | \$32 | — | \$1,612 |
| Facilities Management | \$4 | \$1,071 | \$174 | \$61 | \$1,310 |
| General Maintenance & Construction Services | \$793 | \$460 | — | — | \$1,253 |
| Total Top 10 MBE Spend | \$56,195 | \$1,832 | \$3,516 | \$65 | \$61,607 |

*Note: Only the top 10 spend categories are listed.

Spending with Illinois-Based Woman Business Enterprises (WBE)

| PRODUCT/SERVICE | |
|--|-----------------|
| Energy Delivery Maintenance & Construction Services Distribution | \$30,755 |
| Meter Services | \$9,501 |
| Gas Services | \$5,699 |
| Facilities Management | \$5,408 |
| Wire & Cable | \$4,778 |
| Other | \$4,197 |
| Vegetation Management Services | \$2,526 |
| Engineering & Architectural Services | \$2,309 |
| Energy Delivery Maintenance & Construction Services Underground | \$1,908 |
| IT – Materials | \$1,485 |
| Total Top 10 WBE Spend | \$68,565 |

***Note:** Only the top 10 spend categories are listed.

Spending with Illinois-Based Veteran Business Enterprises (VBE)

| PRODUCT/SERVICE | |
|--|-----------------|
| Energy Delivery Maintenance & Construction Services Distribution | \$13,142 |
| Facilities Maintenance & Construction Services | \$2,361 |
| Fleet Materials | \$1,399 |
| Vegetation Management Services | \$940 |
| Professional Services | \$922 |
| Environmental Services | \$392 |
| Tools | \$252 |
| Other | \$154 |
| Engineering & Architectural Services | \$149 |
| Gas Services | \$122 |
| Total Top 10 VBE Spend | \$19,834 |

***Note:** Only the top 10 spend categories are listed.

V. POLICIES AND METHODOLOGY

A. Purpose

The purpose of this section is to set forth the Ameren corporate policy for Supplier Diversity in the procurement of non-fuel materials, services, and asset leases.

B. Scope

1. This policy applies to all Ameren companies, which include:
 - a. Ameren Illinois
 - b. Ameren Missouri
 - c. Ameren Transmission
2. Employee travel and entertainment expenses are not included in this policy.
3. This policy supersedes all previous Supplier Diversity policies.

C. Definitions

1. **Third-party certifying organizations recognized by Ameren:**
 - a. Ameren does not certify diverse suppliers and relies upon third-party certifying organizations.
 - b. Ameren recognizes certification from the National Minority Supplier Development Council (NMSDC) and its affiliate councils; the Women's Business Enterprise National Council (WBENC) and its affiliate councils; and federal, state, and local government certifying agencies. Contact the Supplier Diversity team for more information on certifying organizations.
2. **Supplier Diversity organization:** Works within Supply Chain to support contract development teams and business partner personnel in identifying diverse suppliers for inclusion in the sourcing and procurement processes.
3. **Contract Development Team:** Members may include the project manager, plant/facility manager, and representatives from Sourcing, Procurement, and Corporate Legal. Corporate Legal coordinates input from Credit; Tax, Finance/Accounting; Health, Safety, and Environmental; Risk Management; and other applicable departments.

(SEE APPENDIX D FOR COMPLETE SUPPLIER DIVERSITY
POLICY & METHODOLOGY.)

VI. SUPPLIER DIVERSITY GOALS AND STRATEGIES

A. Primary Goals

ACCESS, DEVELOPMENT and **SUSTAINABILITY** are the primary goals of Ameren's Supplier Diversity development process.

Ameren's Supplier Diversity organization uses specific goals with comprehensive internal and external strategies to nurture and increase qualified diverse-supplier participation within the supply chain. We believe executing on these goals will lead to long-term diverse-business partnerships.

Ameren Supplier Diversity strategies to increase diverse-business utilization include the following:

- 1. Establishing and supporting corporate Supplier Diversity goals.**
 - a. Establish business partner goals and a scorecard to support the corporate goals.
 - b. Formalized multi-tiered supplier program.
 - c. Webinars to inform suppliers of goals and expectations for the year.
- 2. Creating access and development opportunities.**
 - a. Conduct business partner quarterly engagement meetings.
 - b. Diverse business vendor presentations to Ameren business partners.
 - c. Alpha Opportunities position diverse suppliers to compete.
 - d. Diverse business mentoring and curriculum-based training.
 - e. Supplier Diversity symposiums/summits.
- 3. Driving long-term sustainability.**
 - a. Dartmouth Scholarship Awards for diverse suppliers.
 - b. Prime/diverse supplier connections.
 - c. Supplier Relationship Management (SRM).
 - d. Participation in diverse supplier organizations.

B. Key Diverse Business Strategies

- 1. Ameren Illinois Diverse Business Steering Committee.** This committee consists of Illinois operations' vice president and director-level leadership, stakeholders from across the enterprise, and Supplier Diversity. The committee ensures that major sourcing decisions impacting Illinois receive appropriate business diversity and economic impact considerations. (See Appendix E for members.)
- 2. Formalized multi-tier strategy.** Ameren requires prime suppliers to share in our commitment to providing opportunities for diverse suppliers. Ameren's Tier II initiative requires our prime suppliers to deliver a diverse business utilization plan when competing for Ameren work. The plan identifies the level of expenditures with diverse suppliers who are participating as subcontractors/ consultants on Ameren contracts. Prime suppliers are required to report Tier II diverse spend monthly.

Ameren's Tier II initiative also facilitates engagements with our key prime suppliers/ contractors to manage and strengthen our prime/diverse supplier relationships. Along with our business segment stakeholders and our key prime supplier/contractors, Ameren Supplier Diversity executives participate in individualized conferences designed to accomplish the following:

- a. Report out Tier II past performance.
- b. Discuss opportunities for increased participation.
- c. Reset Tier II expectations.
- d. Promote the goods and services of diverse suppliers who are capable of doing business with prime suppliers.

To facilitate overall participation in Ameren's Tier II initiative across the Ameren system, Supplier Diversity hosts matchmaker events with Ameren prime suppliers and diverse companies to encourage prime/diverse partnerships.

In the event a prime supplier does not meet established goals and/or demonstrate through the quality, intensity, and appropriateness of their efforts why the goal was not met, Ameren corrective actions include removing the prime supplier from future bid opportunities.

- 3. Diverse-business mentoring.** Diverse-business mentoring is a curriculum-based initiative designed specifically to nourish and create business scale and capacity among emerging Ameren diverse businesses with specific business needs. The curriculum will include safety, project management, bidding and estimating, and getting paid.

Emerging diverse companies are matched with Ameren business leaders and prime suppliers who have the experience and expertise to assist these companies with their specific business needs. From the mentoring relationship, emerging diverse businesses can realize opportunities for continued growth and enjoy an expanded support network.

- 4. Diverse-business goal-setting.** Ameren employs an integrated planning process where Sourcing/Purchasing, Supplier Diversity, and the internal business partners analyze opportunities and develop annual corporate and business segment goals for diverse-business expenditures. These goals are then approved by senior management and measured, monitored, and reported throughout the year. The process, in part, requires the Ameren Supplier Diversity team to analyze the categories of spend included in the business segments' annual budget forecast. The business segments' forecasts indicate total "sourceable" spending, which includes capital and O&M dollars, excluding labor.

Within the segments' budget forecasts are project breakdowns by cost that provide insight to the Supplier Diversity team on specific opportunities in the business.

The Supplier Diversity team also considers Tier II opportunities in the analysis and baseline dollars with diverse suppliers that occur as a result of year-over-year spending in the business (e.g., safety products, MRO, etc.).

The Supplier Diversity team analyzes these factors for spending to identify opportunity-rich categories for increased diverse-supplier participation before establishing a dollar and percentage goal for the business.

Once the diverse spend goals are established, they are formally communicated throughout Ameren by the Supplier Diversity organization and the business partner stakeholders. Supplier Diversity goals are included as key performance indicators (KPI) on business segment scorecards.

Goals are adjusted directionally on an annual basis to account for opportunities added or ending.

MBE-specific goals are created as targets based, in part, on the following:

- a. Location of the opportunity.
- b. Availability of suppliers for the opportunity.

- 5. Business partner engagement meetings.** Ameren's Supplier Diversity organization conducts regular business partner engagement meetings to introduce diverse suppliers and provide opportunities to conduct supplier presentations. This process provides new and incumbent diverse suppliers direct access to the business stakeholders and promotes diverse supplier/business partner relationships.

The business partner meetings also provide the Supplier Diversity executives the forum to discuss categories for diverse-supplier participation, a business partner diverse-spending profile, and an analysis of how the business segments are achieving their Supplier Diversity goals.

- 6. Marketing/Communications strategy.** Ameren Supplier Diversity executed an internal marketing campaign designed to raise awareness, highlight the capabilities of our diverse businesses, and share their personal stories regarding how Ameren's investments have a positive economic impact on their businesses and communities.

7. **Alpha Opportunities strategy.** Provides emerging diverse suppliers to Ameren an opportunity to develop experience in bids less than \$100,000. The goal is to create a pipeline for emerging diverse suppliers to experience success, create a track record, and incrementally grow their businesses to participate in larger spend opportunities.
8. **Supplier Diversity symposiums and summits.** Ameren's signature events are its Supplier Diversity symposiums and summits. Ameren hosts Supplier Diversity symposiums and summits to increase the level of diverse-supplier participation. These events provide diverse suppliers with access to senior leadership, business partners, prime suppliers, and the Sourcing/Purchasing team.

In September 2019, Ameren's Supplier Diversity Symposium, titled "Transforming Our Energy Future Together," featured workshops and diverse-business matchmaking designed to educate suppliers on upcoming opportunities and to facilitate business connections between business line decisionmakers and diverse suppliers. (See Appendix G for the 2019 Symposium agenda.)

9. **Dartmouth Tuck Scholarship Awards.** Annually, Supplier Diversity awards scholarships to the Tuck Executive Education Minority Business Programs at Dartmouth College in Hanover, NH. These scholarships are awarded to incumbent diverse suppliers to promote their growth, development, and sustainability in our network.

Ameren Corporation has awarded 23 scholarships to incumbent diverse suppliers since 2009. In 2019, Ameren awarded three scholarships, one of which was with an Illinois-based diverse supplier.

DARTMOUTH SCHOLARS: Richard J. Mark, Chairman and President of Ameren Illinois, congratulates the 2019 Dartmouth Scholarship recipients.



C. Participation in Diverse-Supplier Organizations

Ameren actively participates in a number of external organizations that support and promote the capabilities of diverse suppliers. Supplier Diversity personnel and Ameren business partners are involved in certification committees, business expos, and other activities to advise both diverse and non-diverse suppliers on Ameren's diverse-supplier opportunities and expectations.

Ameren also subscribes to a "Supplier Locator" national database that assists the Supplier Diversity executives in identifying certified diverse suppliers by business category.

VII. AREAS OF PROCUREMENT

A. Key categories of procurement in 2019 include the following:

1. Energy Delivery Maintenance and Construction Services—Distribution
2. Engineering Services
3. Environmental Services
4. Facilities Maintenance and Construction Services
5. Fleet Materials
6. Gas Construction and Services
7. Transmission Line Construction and related activities
8. Vegetation Management Services
9. Tier II contract opportunities

B. Finance

1. In 2019, Ameren worked with four minority-owned investment banking companies that co-managed \$300 million in bond offerings.
2. In 2019, the treasury department expanded its diverse portfolio to include minority investment management companies as managers in the pension fund.

C. Legal

Ameren's Legal Department is committed to advancing diversity in the legal profession and has proactively implemented measures and metrics to increase its use of diverse legal professionals and to develop a pipeline of diverse legal talent within Ameren and within its third-party suppliers of legal services.

Legal Services is committed:

1. To recruiting and retaining diverse attorneys and legal staff;
2. To directing a greater percentage of the legal and related services it purchases to diverse attorneys and suppliers; and
3. To facilitate increased opportunities for diverse attorneys and vendors to ensure a robust pipeline of diverse legal professionals and services.

Legal Department Key Activities in 2019:

- Actively sought opportunities to engage diverse-owned law firms.
 - Sponsored Speaker Series with Joel Stern, CEO of the National Association of Minority and Women Owned Law Firms (NAMWOLF) “Diversity in the Legal Profession: A Moral and Business Imperative.” Approximately 85 legal and business professionals from Illinois and Missouri attended the event.
 - Met individually with ten diverse-owned law firms regarding new business opportunities.
- Added four new diverse-owned legal suppliers.
- Increased work with current diverse-owned law firms by awarding new legal projects.
- Implemented an innovative pilot program to train new, diverse-owned law firms to practice in the specialized field of energy regulatory law. Ameren selected two diverse firms (Minority Owned) to participate in the program.
- Modified Outside Counsel Billing Guidelines and internal practices to expressly articulate an expectation that our partner law firms (minority certified and majority firms) retain and assign diverse women and minority attorneys to support Ameren matters.
- Awarded two firms with Ameren’s “Best in Class” award. Ameren awards this honor to select law firms that demonstrate alignment with Ameren’s commitment to diversity based on survey responses and measurement of objective criteria related to diversity.
- Tracked diversity demographic data of legal professional timekeepers working on Ameren matters at diverse and majority-owned law firms to facilitate staffing of diverse professionals.
- Implemented a diversity committee in legal to actively work on and promote intentional diversity efforts.

Measurement and Metrics:

- Developed an internal Legal Department “Supplier Diversity Scorecard” with quantifiable measures to track internal performance on supplier diversity actions and to track Legal Department spend with diverse-owned suppliers.
- Developed a Law Firm Scorecard that includes a diversity component to measure and compare performance of majority-owned law firms retained by Ameren with regard to their commitment to diversity, including adherence to the diversity language in the Outside Counsel Guidelines.

Diverse Outreach and Utilization Actions:

- Developed and maintained a database of diverse-owned law firms in the region.
- Conducted one-on-one meetings with diverse law firms regarding potential new business.
- Attended/participated at legal diverse supplier conferences.
- Participated in benchmark meetings of General Counsel from local companies to collectively discuss common issues, including efforts to increase supplier diversity in legal services.
- Invited diverse attorneys to provide on-site legal education training to Ameren Legal Department employees to develop relationships.
- Targeted specific legal projects to be handled by diverse-owned law firms.

As we look forward, we will continue to be intentional as we strive to increase the use of diverse legal professionals and to build a pipeline of diverse legal talent.

AWARDING EXCELLENCE: Warner L. Baxter, chairman, president and CEO of Ameren Corporation (center), awards Best in Class Legal to Holland and Knight Law Firm (left) at the 2019 Diverse Supplier Symposium.



VIII. CHALLENGES FINDING QUALITY VENDORS

As the philosophy of business diversity evolves, there is an increasing interest amongst our stakeholders regarding the local/regional impact of business diversity within the utility service territory. A growing concern is that the race for higher diverse-business spending creates an environment for artificial diverse-business engagements that do not meaningfully encourage the long-term growth and development of local/regional diverse businesses. This has an effect of eroding the confidence and trust from stakeholders that business diversity actually meets the spirit and intent for growing diverse businesses who employ a diverse workforce.

To address this concern, business diversity practitioners have to balance an apparent public influence that favor identifying opportunities to accelerate diverse-business spend increases regardless of regional economic impact with more meaningful consideration of local/regional economic impact. The latter approach may not increase diverse-spending percentages at a pace considered acceptable because the current scale of local/regional diverse businesses does not generally meet the scale necessary to impact significant diverse-business spending within critical utility categories in an exponential way.

The wisdom in an approach that favors regional/state diverse business–focused opportunities includes the following:

- Building and maintaining a local/regional workforce
- Supporting local/regional communities
- Growing market share in key utility categories over time

Moreover, the unique nature of the Ameren Illinois infrastructure in critical categories where the utility is investing approximately 80% of its dollars creates dynamics that could diminish the success of emerging diverse businesses without a long-term development strategy.

These dynamics include the following:

- Highly mature markets
- Low growth
- Low industry margins
- Technical expertise
- Safety

The effects of these dynamics discourage business participation within these categories regardless of diversity status.

Further, the availability of diverse suppliers that currently exist in these categories and can significantly impact increased spending is limited to a few local/regional diverse

companies. If any of these diverse companies is involved in a merger and/or acquisition with non-diverse ownership, exits the industry, or succumbs to other market dynamics, then that diverse spending is subsequently lost from the utility's diverse-spend profile.

The stress of these dynamics can lead to creative business practices set up for the appearance of diverse-business participation, but that provide no commercially useful function and are merely "pass-through" arrangements. These scenarios hurt bona fide emerging diverse businesses' ability to compete because the focus encourages maximum diverse spending over meaningful impact.

In addition, other industries in the region with similar program expectations create diverse-participation demands in the market that strain the resources and capacity of diverse suppliers. These dynamics also challenge the utility because multiple industries compete for diverse participation from the same pool of qualified diverse suppliers, which weakens the success any one industry could enjoy.

The right strategy will require skillful, informed techniques that align with common goals and a mutual understanding of market dynamics.

The Illinois Commerce Commission could assist with these challenges by helping to shape a narrative in Illinois that appropriately balances increased diverse-business spending with advocacy for the growth and development of local/regional diverse economies.

CAPTURING THE GRID: While attending the 2019 Ameren Diverse Supplier Symposium, a diverse supplier snaps a quick picture of the Grid of the Future from the *Renewable Energy and the Future of Electrification* workshop.



IX. CERTIFICATIONS ACCEPTED

(SEE SECTION V, POLICIES AND METHODOLOGY, DEFINITIONS PART B.)

X. POINT OF CONTACT

The point of contact for Ameren's Supplier Diversity Program is:

Byron Witherspoon, PMP

Director, Supplier Diversity

bwitherspoon@ameren.com

XI. ILLINOIS COMMERCE COMMISSION WEBSITE

Pursuant to Section 5-117 of the Public Utilities Act (220 ILCS 5/5-117 Section F), Ameren Illinois Company hereby submits to the Illinois Commerce Commission its 2019 Annual Supplier Diversity Report. Reports are due annually on April 15, beginning in 2015.

The Commission shall publish the report on its website and shall maintain the report for at least five years. The Public Utilities Act, 220 ILCS 5/1-10 et seq., also requires the ICC and participating utilities to hold an [Annual Policy Meeting](#) that is open to the public on the subject of supplier diversity. The policy meeting will follow submission of the April 15 reports.

For more information on Ameren Illinois' Annual Supplier Diversity Reports, please visit the ICC Supplier Diversity webpage at <http://www.icc.illinois.gov/filings/mwvs/>.

APPENDIX A

DIVERSE EXPENDITURES BY CATEGORY AND CLASSIFICATION

DIVERSE EXPENDITURES BY CATEGORY AND CLASSIFICATION

(in thousands)

| CATEGORY | African American | | Asian American | | Hispanic American | | Native American | | Veteran | WBE | Total MBE | Total WBE | Total Veteran | Total Diverse Spend | Total Non-Diverse Prime | Total Spend |
|--|------------------|------------|----------------|--------|-------------------|----------|-----------------|---------|-------------|-------------|-------------|-------------|---------------|---------------------|-------------------------|--------------|
| | Men | Women | Men | Women | Men | Women | Men | Women | | | | | | | | |
| ENERGY DELIVERY MAINTENANCE AND CONSTRUCTION SERVICES – DISTRIBUTION | \$28,028.31 | \$2,428.27 | | | \$17,091.26 | | \$439.21 | | \$15,612.25 | \$36,967.85 | \$47,987.04 | \$36,967.85 | \$15,612.25 | \$100,567.15 | \$134,522.90 | \$235,090.05 |
| GAS SERVICES | \$631.34 | | \$39.99 | | \$36,676.73 | | | | \$1,847.62 | \$22,113.55 | \$37,348.06 | \$22,113.55 | \$1,847.62 | \$61,309.22 | \$26,783.12 | \$88,092.34 |
| VEGETATION MANAGEMENT SERVICES | \$287.29 | | \$0.78 | | | | \$0.21 | | \$2,666.13 | \$6,830.94 | \$288.28 | \$6,830.94 | \$2,666.13 | \$9,785.35 | \$69,026.94 | \$78,812.29 |
| CUSTOMER-FACING SERVICES | \$2,193.58 | \$3,472.92 | | | | | | | | \$2,874.85 | \$5,666.50 | \$2,874.85 | \$0.00 | \$8,541.35 | \$61,150.11 | \$69,691.46 |
| SUBSTATION MATERIALS | \$3,322.76 | \$1.33 | \$3,925.67 | | \$63.31 | | | | \$1,970.56 | \$5,224.13 | \$7,313.07 | \$5,224.13 | \$1,970.56 | \$14,507.75 | \$50,107.74 | \$64,615.50 |
| ENERGY DELIVERY GAS MATERIALS | | | | | \$14.26 | | | | \$167.51 | \$194.72 | \$14.26 | \$194.72 | \$167.51 | \$376.49 | \$50,296.58 | \$50,673.08 |
| ENGINEERING AND ARCHITECTURAL SERVICES | \$3,101.68 | \$10.07 | \$765.24 | | \$1,508.88 | \$750.17 | \$14.99 | | \$631.94 | \$2,828.74 | \$6,151.04 | \$2,828.74 | \$631.94 | \$9,611.72 | \$40,246.69 | \$49,858.40 |
| PROFESSIONAL SERVICES | \$1,349.04 | \$617.35 | \$3,491.52 | \$9.57 | \$290.45 | | \$2.99 | | \$2,628.14 | \$2,086.80 | \$5,760.91 | \$2,086.80 | \$2,628.14 | \$10,475.85 | \$27,613.48 | \$38,089.33 |
| POLES AND TOWERS | \$0.00 | | | | | | \$54.35 | | \$6,788.02 | \$2,377.49 | \$54.35 | \$2,377.49 | \$6,788.02 | \$9,219.86 | \$25,883.10 | \$35,102.97 |
| METERS | | | | | | | | | \$12.20 | \$39.76 | \$0.00 | \$39.76 | \$12.20 | \$51.96 | \$32,563.06 | \$32,615.02 |
| WIRE AND CABLE | \$1,883.10 | | | | \$12.77 | | | | \$161.54 | \$17,647.19 | \$1,895.88 | \$17,647.19 | \$161.54 | \$19,704.60 | \$11,682.53 | \$31,387.13 |
| POLE LINE HARDWARE AND ACCESSORIES | | | \$56.70 | | | | | | | \$17,257.03 | \$56.70 | \$17,257.03 | \$0.00 | \$17,313.74 | \$12,278.66 | \$29,592.39 |
| GENERAL MAINTENANCE AND CONSTRUCTION SERVICES | \$852.02 | \$48.01 | | | \$459.88 | | | | \$0.21 | \$2,536.34 | \$1,359.92 | \$2,536.34 | \$0.21 | \$3,896.47 | \$24,976.56 | \$28,873.03 |
| IT MATERIALS | \$10,096.77 | | \$2.40 | | | \$389.21 | | \$14.02 | | \$2,058.06 | \$10,502.40 | \$2,058.06 | \$0.00 | \$12,560.46 | \$10,971.51 | \$23,531.98 |
| OTHER | \$125.14 | \$0.01 | \$70.42 | | \$1,767.17 | \$150.74 | \$7.19 | \$0.31 | \$246.64 | \$5,167.47 | \$2,120.97 | \$5,167.47 | \$246.64 | \$7,535.09 | \$15,087.00 | \$22,622.08 |
| TRANSFORMERS | | | \$403.28 | | \$460.80 | | | | \$2,472.10 | \$1,985.36 | \$864.08 | \$1,985.36 | \$2,472.10 | \$5,321.53 | \$17,287.05 | \$22,608.58 |
| METER SERVICES | | | | | | | | | | \$9,500.91 | \$0.00 | \$9,500.91 | \$0.00 | \$9,500.91 | \$12,386.53 | \$21,887.44 |
| ENVIRONMENTAL SERVICES | \$142.78 | \$1,052.66 | | | \$487.37 | | | | \$437.04 | \$167.73 | \$1,682.81 | \$167.73 | \$437.04 | \$2,287.59 | \$18,632.50 | \$20,920.09 |
| FACILITIES MAINTENANCE AND CONSTRUCTION SERVICES | \$11,438.19 | | | | | | | | \$2,363.01 | \$82.92 | \$11,438.19 | \$82.92 | \$2,363.01 | \$13,884.12 | \$6,192.49 | \$20,076.61 |
| FLEET MATERIALS | \$823.25 | | \$0.65 | | | | | | \$1,399.45 | \$105.55 | \$823.89 | \$105.55 | \$1,399.45 | \$2,328.90 | \$14,690.72 | \$17,019.62 |
| FACILITIES MANAGEMENT | \$216.83 | | \$174.15 | | \$719.76 | \$350.75 | \$168.16 | \$61.26 | \$73.82 | \$5,907.56 | \$1,690.91 | \$5,907.56 | \$73.82 | \$7,672.28 | \$6,131.94 | \$13,804.22 |
| ENERGY DELIVERY MAINTENANCE AND CONSTRUCTION SERVICES – UNDERGROUND | | | | | \$199.84 | | | | | \$1,908.30 | \$199.84 | \$1,908.30 | \$0.00 | \$2,108.14 | \$10,835.23 | \$12,943.37 |

Chart continued on next page.

APPENDIX B

2019 ECONOMIC IMPACT STUDY OF AMEREN ILLINOIS DIVERSE SPENDING

A STUDY OF AMEREN ILLINOIS
SUPPLIER DIVERSITY PROGRAM'S ECONOMIC
IMPACTS ON ILLINOIS AND SERVICE TERRITORY (2019)

MARCH 24, 2020

PREPARED FOR



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APPENDIX

- A. 2017 AND 2018 ECONOMIC IMPACTS OF DIVERSE SPENDING BY SERVICE TERRITORY AND STATE
- B. 2019 TIER ONE AND TIER TWO DIVERSE SPENDING BY ILLINOIS COUNTY

SUMMARY OF ECONOMIC IMPACTS

Ameren Illinois spent \$362.3 million in 2019 on Tier One and Tier Two diverse suppliers to support its operations. The following table summarizes the economic impacts of this spending on Ameren Illinois' service territory and the state of Illinois based on RIMS-II economic impact modeling methodology as established by the U.S. Department of Commerce.

Table 1. Economic Impacts of Ameren Illinois Supplier Diversity Spending, 2019

| | Service Territory | | State of Illinois | |
|-----------------------|-------------------|-------------|-------------------|---------------|
| Direct Spending | \$ | 362,253,000 | \$ | 362,253,000 |
| Indirect Output | \$ | 637,680,000 | \$ | 776,381,000 |
| Indirect Earnings | \$ | 186,154,000 | \$ | 228,232,000 |
| Indirect Jobs | | 3,070 | | 3,770 |
| Total Economic Output | \$ | 999,933,000 | \$ | 1,138,634,000 |

INTRODUCTION

AMEREN'S SUPPLIER DIVERSITY PROGRAM

Ameren Corporation ("Ameren") is a Fortune 500 company headquartered in St. Louis, Missouri with approximately 2.4 million electric customers and 900,000 gas customers across its 64,000 square mile Two-State Service Territory ("service territory") that stretches across Missouri and Illinois. Ameren is the holding company of Ameren Illinois, based in Collinsville, Illinois and Ameren Missouri, based in St. Louis, Missouri.

In order to provide energy services to its customers, Ameren Illinois purchases goods and services from a wide range of suppliers and contractors, which, in turn, have a significant impact on the local economy. As part of its procurement process, Ameren Illinois is committed to supporting diverse suppliers (i.e.; minority, women, veteran, service disabled veteran & LGBT owned businesses) through its Supplier Diversity Program. Ameren Illinois sets annual Supplier Diversity goals in which a percentage of all business spending supports qualified diverse-owned businesses. In 2019, Ameren Illinois surpassed its goal of 23.0 percent by achieving 31.4 percent, or \$362.3 million, in diverse supplier spending.

The focus of the present study is to isolate the economic impacts of this diverse supplier spending by Ameren Illinois.

SCOPE OF WORK

Previously, Development Strategies (DS) was commissioned by Ameren to quantify the economic impacts of Ameren Illinois' Supplier Diversity Program. The following analysis is based on modeling and methodologies established by DS, but conducted internally by Ameren staff.

Consistent with the previous studies, the inputs to the economic impact modeling were based on direct spending for diverse suppliers in 2019 and do not consider any operational costs associated with managing the program. Typically, studies such as this use a blended annual average across several years to account for fluctuations in operational spending that can occur due to a number of factors such as significant weather events that require substantial emergency repair or planned plant and other infrastructure upgrades to meet regulatory guidelines. However, the ultimate goal of this analysis is provide a framework for a standard, replicable model that can be applied to annual Ameren operations moving forward and to establish baseline data for analyzing historic trends.

Details of methodology, data sources, and critical assumptions made to complete the analysis are included where appropriate.

METHODOLOGY

In order to maintain and expand capital facilities and distribute electricity and natural gas services, Ameren Illinois makes purchases of goods and services that trigger further economic activity throughout its service area in the form of income for employees and additional expenditures by supplier businesses. Employees, in turn, spend their wages mostly near where they live, supporting further economic activity at retail shops, home repair contractors, and other service providers and establishments. This subsequent spending causes “multiplier effects” in the economy that can be estimated for defined geographic areas using *multiplier coefficients*, which are obtained from the U.S. Department of Commerce’s *Regional Input-Output Multiplier System* (RIMS or RIMS-II).

The RIMS and RIMS-II multipliers are derived from a comprehensive and complex set of inputs that are updated regularly based on the normal submission of business and employment data that make up the National Income and Products Accounts (NIPA). Such data is catalogued at the county level throughout the nation, so the RIMS-II multipliers are calculated for public use for every county. They can also be aggregated for groups of counties to create a regional analysis (such as for metropolitan areas or labor market areas or entire states). Multiplier coefficients for smaller geographies are not available.

To calculate the indirect impacts of economic activity in a targeted geographic area (in this case Ameren Illinois’ service area and the state of Illinois), multiplier coefficients are applied to the direct impact dollars. These multipliers take into account an amount of “leakage” from the state economy because some wages and expenditures will be spent outside of the state. Eventually, all of the direct spending leaks out of the state, but each passing round of spending creates added multiplier effects, though in diminishing degrees.

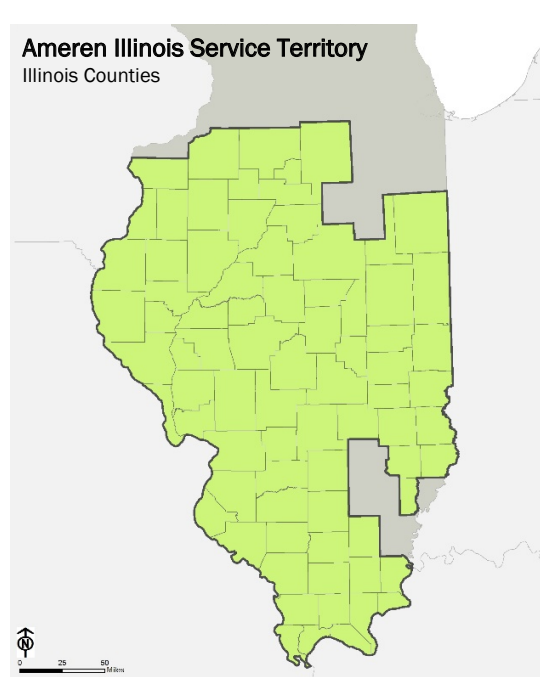
Economic impacts are demonstrated through multiplier effects in three primary ways:

1. **Output** is a measure of the impact on a specific geographic area’s economic activity generated from the spending and re-spending triggered by business and household spending. The output dollars summarize *total new or added economic activity at all points of the production process* rather than just the effects on, say, gross state product (which is a measure of value to the ultimate purchaser). Output is a more robust and larger indicator of economic activity than Gross State Product (GSP).
2. **Household Earnings** is a measure of how much of the total output is attributable to new income generated for households living in the targeted geographic area.
3. **Jobs** supported in the targeted geographic area by direct expenditures and multiplier effects of the subject (in this case Ameren Illinois’ diverse suppliers/contractors).

GEOGRAPHIC STUDY AREA

Ameren Illinois' operations primarily occur within its Illinois service territory of central and southern Illinois; therefore, its spending on diverse suppliers is the most "felt" in the service territory, and thus, state of Illinois.¹

Ameren Illinois' service territory does not conform to county boundaries; however, since RIMS-II multipliers can only be obtained for individual counties or combinations of counties, for the purposes of this analysis, the service area boundaries were reconfigured to align with county boundaries.



MULTIPLIERS

Multipliers are determined not only for geographic areas but also for a wide array of economic sectors within those geographic areas (RIMS-II has multipliers for some 62 different sectors).² It is important, therefore, to determine the most applicable economic sectors for Ameren Illinois' diverse supplier/contractor spending. Ameren Illinois categorizes its diverse spending by 1) operations and maintenance and 2) capital expenditures. The *utility* multipliers are applied to Ameren Illinois' diverse suppliers that support non-labor operations and maintenance, since this set of multipliers best represents the operational activities of a utility company such as Ameren Illinois.³ Unfortunately, there is no "capital expenditure" sector within RIMS-II; therefore, the *construction* multipliers are applied to all capital expenditures.

¹ Though some of the contractors are based outside of the service territory, the goods and services provided support operations within the service territory and state, so all of this spending is considered *direct spending*. For measuring the indirect impacts, the multipliers themselves account for any leakage (indirect spending outside of the service territory or state).

² The Service Territory multipliers and the State of Illinois multipliers are based on 2017 economic data.

³ Ameren Illinois' diverse suppliers represent a broad range of sectors such as professional services or retail trade, but since the goods and/or services support Ameren Illinois' non-labor operations, the *utility* multipliers best present this type of spending. This methodology is also consistent with Ameren's concurrent study on the economic impacts of Ameren Corporation in which the *utility* multipliers are applied to all non-labor operational spending.

Table 2. RIMS-II Multipliers

| <i>Sector</i> | <i>Output</i> | <i>Earnings</i> | <i>Employment</i> |
|------------------------------|---------------|-----------------|-------------------|
| <i>Illinois Service Area</i> | | | |
| Utilities | 1.5129 | 0.2833 | 4.0639 |
| Construction | 1.9185 | 0.6613 | 12.1651 |
| <i>State of Illinois</i> | | | |
| Utilities | 1.7600 | 0.3656 | 5.7352 |
| Construction | 2.3882 | 0.7991 | 14.8643 |

Source: U.S. Department of Commerce

The multipliers are applied to each spending category of Ameren Illinois' diverse suppliers depending on target geography and the expenditures occurring *within* that target geography. The *output* multipliers listed represent the per dollar impact of direct spending in the service territory economy. For instance, \$1,000,000 in expenditures for contractors supporting the *utilities* industry in the service territory generates an additional \$1,513,000 of economic activity in the area's economy, including \$290,000 in wages (*earnings* multiplier).

The *employment* multiplier measures how many jobs are supported *per million dollars in expenditures*. Thus, for the *utilities* sector, \$1,000,000 in expenditures supports approximately four jobs in service territory (4.064 to be exact), $[(\$1,000,000 \times 4.064) \div 1,000,000]$.⁴

⁴ The most up-to-date RIMS-II multipliers from the U.S. Department of Commerce for the Service Territory and State of Illinois are based on 2017 economic activity. Therefore, the model used in this report inflates the million dollars from 2017, or jobs per \$1,042,400, in 2019 dollars, using the national Consumer Price Index (CPI).

ECONOMIC IMPACTS OF AMEREN ILLINOIS SUPPLIER DIVERSITY (2019)

INPUTS

The inputs to the economic impact modeling are based on reported expenditures by Ameren Illinois on diverse suppliers in 2019. Table 3 shows the spending between Tier One and Tier Two suppliers. Tier One suppliers directly provide services to Ameren Illinois. Tier Two suppliers provide services to Ameren Illinois contractors, although this spending is considered direct since the terms, obligations, and allocations to these contractors are managed through Ameren Illinois. According to Ameren, of this spending, it is assumed that 61 percent supported capital projects; therefore, of the \$362.3 million in diverse supplier spending in 2019, it is assumed that \$221.0 million supported capital projects, which is used in the economic impact modeling.

Table 3. Ameren Illinois Diverse Supplier Expenditures, 2019

| | |
|--------------|-----------------------|
| Tier One | \$ 250,396,000 |
| Tier Two | \$ 111,857,000 |
| Total | \$ 362,253,000 |

ECONOMIC IMPACTS

The multipliers on Table 2 are applied to the expenditure inputs summarized in Table 3, and Tables 4 and 5, below, summarize these impacts on the service territory and state of Illinois in 2019. Similar tables for 2017 and 2018 are in the Appendix to this report.

Illinois Service Territory

The top of Table 4 on the next page shows the direct expenditures by Ameren Illinois on diverse suppliers in its service territory of \$362.3 million in 2019.

- The \$362.3 million in Ameren Illinois' direct expenditures to diverse suppliers triggered an additional \$637.7 million in value added economic activity in its service territory, of which \$186.2 million was household earnings that supported 3,130 jobs in the service area (average wage of \$59,000). The multipliers vary for different types of major expenditures shown at the top of the table. The "blended" economic activity multiplier is 1.8, indicating that the indirect economic impact of diverse supplier spending was over one and a half times Ameren Illinois' direct spending within the service territory.
- The estimated total output (economic activity) triggered by Ameren Illinois' spending on diverse suppliers (\$362.3 million) and the added multiplier effects (\$637.7 million) was \$999.3 million for its service territory.
- Of that amount, Ameren Illinois' spending on diverse suppliers triggered \$186.2 million in household earnings for workers in its service territory.
- In total, Ameren Illinois spending on diverse suppliers supported approximately 3,130 indirect jobs for service area residents.

Table 4. Economic Impacts of Ameren Illinois' Diverse Supplier Spending on its Illinois Service Territory, 2019

| | <i>Non-Labor Capital Expenditures¹</i> | <i>Non-Labor Operational Expenditures</i> | <i>Total Diverse Supplier Spending²</i> |
|--|---|---|--|
| Direct Spending | \$ 220,974,000 | \$ 141,279,000 | \$ 362,253,000 |
| <i>Multipliers (see explanatory notes below)</i> | | | |
| Output | 1.919 | 1.513 | 1.760 |
| Earnings | 0.661 | 0.283 | 0.514 |
| Employment | 12.165 | 4.064 | 9.007 |
| <i>Added Economic Impact on Service Territory</i> | | | |
| Output | \$ 423,939,000 | \$ 213,741,000 | \$ 637,680,000 |
| Earnings | \$ 146,130,000 | \$ 40,024,000 | \$ 186,154,000 |
| Indirect Jobs Held by Service Territory Residents | 2,580 | 550 | 3,130 |
| <i>Total Economic Impact on Service Area</i> | | | |
| Output | | | \$ 999,933,000 |
| Earnings ³ | | | \$ 186,154,000 |
| Total Indirect Jobs Held by Service Territory Residents ³ | | | 3,130 |

Output - Total dollar change in the Illinois service territory's economy due to expenditures for Ameren Illinois' operations

Earnings - Total dollar change in earnings of households in the Illinois service territory due to expenditures for Ameren Illinois' operations

Employment - Total change in the number of jobs held by Illinois service territory residents per \$1 million of direct spending for Ameren Illinois' operations (adjusted to 2019 dollars)

¹ Assumes that 61 percent of total diverse supplier spending is to support capital projects

² Includes Direct and Tier Two diverse supplier spending

³ Only includes indirect earnings and jobs since this study only considers direct non-labor contractor spending by Ameren Illinois

State of Illinois

The top of Table 5 on the next page shows the direct expenditures by Ameren Illinois on diverse suppliers in the entire state of Illinois of \$362.3 million in 2019.

- The \$362.3 million in Ameren Illinois' direct expenditures to diverse suppliers triggered an additional \$776.4 million in value added economic activity in the state, of which \$228.2 million was household earnings that supported 3,930 jobs in the state (average wage of \$66,000). The multipliers vary for different types of major expenditures shown at the top of the table. The "blended" economic activity multiplier is 2.1, indicating that the indirect economic impact of diverse supplier spending was over twice Ameren Illinois' direct spending within the state.
- The estimated total output (economic activity) triggered by Ameren Illinois' spending on diverse suppliers (\$362.3 million) and the added multiplier effects (\$776.4 million) was just over \$1.1 billion for the state.
- Of that amount, Ameren Illinois' spending on diverse suppliers triggered \$228.2 million in household earnings for workers in the state.
- In total, Ameren Illinois spending on diverse suppliers supported approximately 3,930 indirect jobs for state residents.

Table 5. Economic Impacts of Ameren Illinois' Diverse Supplier Spending on the State of Illinois, 2019

| | <i>Non-Labor Capital Expenditures¹</i> | <i>Non-Labor Operational Expenditures</i> | <i>Total Diverse Supplier Spending²</i> |
|---|---|---|--|
| Direct Spending | \$ 220,974,000 | \$ 141,279,000 | \$ 362,253,000 |
| <i>Multipliers (see explanatory notes below)</i> | | | |
| Output | 2.388 | 1.760 | 2.143 |
| Earnings | 0.799 | 0.366 | 0.630 |
| Employment | 14.864 | 5.735 | 11.309 |
| <i>Added Economic Impact on Illinois</i> | | | |
| Output | \$ 527,730,000 | \$ 248,651,000 | \$ 776,381,000 |
| Earnings | \$ 176,580,000 | \$ 51,652,000 | \$ 228,232,000 |
| Indirect Jobs Held by Service Territory Residents | 3,150 | 780 | 3,930 |
| <i>Total Economic Impact on Illinois</i> | | | |
| Output | | | \$ 1,138,634,000 |
| Earnings ³ | | | \$ 228,232,000 |
| Total Indirect Jobs Held by Illinois Residents ³ | | | 3,930 |

Output - Total dollar change in the Illinois economy due to expenditures for Ameren Illinois' operations

Earnings - Total dollar change in earnings of households in Illinois due to expenditures for Ameren Illinois' operations

Employment - Total change in the number of jobs held by Illinois residents per \$1 million of direct spending for Ameren Illinois' operations (adjusted to 2019 dollars)

¹ Assumes that 61 percent of total diverse supplier spending is to support capital projects

² Includes Direct and Tier Two diverse supplier spending

³ Only includes indirect earnings and jobs since this study only considers direct non-labor contractor spending by Ameren Illinois

TOTAL ECONOMIC IMPACTS OF AMEREN ILLINOIS SUPPLIER DIVERSITY (2017-2019)

From 2017 to 2019, Ameren Illinois spent a total of \$953.5 million, in 2019 dollars, on diverse suppliers as presented in Table 6 and Table 7.⁵ The total economic impacts during this three-year period are described below.

Illinois Service Territory

The \$936.1 million in total direct spending on diverse suppliers over this three-year period generated \$1.64 billion in indirect economic output in the service territory, of which, \$461.7 million was household earnings for service territory residents. In total, this spending generated more than \$2.62 billion in direct and indirect economic output in the service territory, supporting an average of 2,597 indirect jobs annually.

Table 6. Three-Year Economic Impacts of Ameren Illinois Diverse Supplier Spending on Service Territory (2017-2019)

| | 2017 | 2018 | 2019 | 3-Year Total ¹ |
|------------------------|----------------|------------------|----------------|---------------------------|
| Reported | | | | |
| Total Direct Spending | \$ 216,734,000 | \$ 357,157,000 | \$ 362,253,000 | \$ 936,144,000 |
| Indirect Output | \$ 377,204,000 | \$ 624,042,000 | \$ 637,680,000 | \$ 1,638,926,000 |
| Indirect Earnings | \$ 103,612,000 | \$ 171,894,000 | \$ 186,154,000 | \$ 461,660,000 |
| Indirect Jobs | 1,770 | 2,890 | 3,130 | 2,600 |
| Total Economic Output | \$ 593,938,000 | \$ 981,199,000 | \$ 999,933,000 | \$ 2,575,070,000 |
| In 2019 dollars | | | | |
| Total Direct Spending | \$ 225,924,000 | \$ 365,336,000 | \$ 362,253,000 | \$ 953,513,000 |
| Indirect Output | \$ 393,197,000 | \$ 638,333,000 | \$ 637,680,000 | \$ 1,669,210,000 |
| Indirect Earnings | \$ 108,005,000 | \$ 175,830,000 | \$ 186,154,000 | \$ 469,989,000 |
| Indirect Jobs | 1,770 | 2,890 | 3,130 | 2,597 |
| Total Economic Output | \$ 619,121,000 | \$ 1,003,668,000 | \$ 999,933,000 | \$ 2,622,722,000 |

¹ In this case, indirect jobs reflects a three-year average, since a single job/position is likely carried over from year to year; adding indirect jobs supported over the three year period would result in double and triple counting of a single position

⁵ The actual reported direct spending and economic impacts for 2017 and 2018 were brought to 2019 dollars using the Consumer Price Index (CPI) resulting in a 4.24 percent increase for 2017 and 2.29 percent increase for 2018.

State of Illinois

The \$936.1 million in total direct spending on diverse suppliers over this three-year period generated \$1.9 billion in indirect economic output in the state of Illinois, of which, \$561.5 million was household earnings for state residents. In total, this spending generated nearly \$2.9 billion in direct and indirect economic output in the state, supporting an average of 3,250 indirect jobs annually.

Table 7. Three-Year Economic Impacts of Ameren Illinois Diverse Supplier Spending on the State of Illinois (2017-2019)

| | 2017 | 2018 | 2019 | 3-Year Total ¹ |
|------------------------|----------------|------------------|------------------|---------------------------|
| Reported | | | | |
| Total Direct Spending | \$ 216,734,000 | \$ 357,157,000 | \$ 362,253,000 | \$ 936,144,000 |
| Indirect Output | \$ 449,689,000 | \$ 741,045,000 | \$ 776,381,000 | \$ 1,967,115,000 |
| Indirect Earnings | \$ 125,851,000 | \$ 207,389,000 | \$ 228,232,000 | \$ 561,472,000 |
| Indirect Jobs | 2,230 | 3,600 | 3,930 | 3,250 |
| Total Economic Output | \$ 666,423,000 | \$ 1,098,202,000 | \$ 1,138,634,000 | \$ 2,903,259,000 |
| In 2019 dollars | | | | |
| Total Direct Spending | \$ 225,924,000 | \$ 365,336,000 | \$ 362,253,000 | \$ 953,513,000 |
| Indirect Output | \$ 468,756,000 | \$ 758,015,000 | \$ 776,381,000 | \$ 2,003,152,000 |
| Indirect Earnings | \$ 131,187,000 | \$ 212,138,000 | \$ 228,232,000 | \$ 571,557,000 |
| Indirect Jobs | 2,230 | 3,600 | 3,930 | 3,250 |
| Total Economic Output | \$ 694,679,000 | \$ 1,123,351,000 | \$ 1,138,634,000 | \$ 2,956,664,000 |

¹ In this case, indirect jobs reflects a three-year average, since a single job/position is likely carried over from year to year; adding indirect jobs supported over the three year period would result in double and triple counting of a single position

APPENDIX

A. 2018 and 2017 ECONOMIC IMPACTS OF DIVERSE SPENDING BY SERVICE TERRITORY AND STATE**Economic Impacts of Ameren Illinois' Diverse Supplier Spending on its Illinois Service Territory, 2018**

| | <i>Non-Labor Capital Expenditures¹</i> | <i>Non-Labor Operational Expenditures</i> | <i>Total Diverse Supplier Spending²</i> |
|--|---|---|--|
| Direct Spending | \$ 217,866,000 | \$ 139,291,000 | \$ 357,157,000 |
| <i>Multipliers (see explanatory notes below)</i> | | | |
| Output | 1.894 | 1.517 | 1.747 |
| Earnings | 0.604 | 0.290 | 0.481 |
| Employment | 11.171 | 4.161 | 8.447 |
| <i>Added Economic Impact on Service Territory</i> | | | |
| Output | \$ 412,682,000 | \$ 211,360,000 | \$ 624,042,000 |
| Earnings | \$ 131,569,000 | \$ 40,325,000 | \$ 171,894,000 |
| Indirect Jobs Held by Service Territory Residents | 2,330 | 560 | 2,890 |
| <i>Total Economic Impact on Service Area</i> | | | |
| Output | | | \$ 981,199,000 |
| Earnings ³ | | | \$ 171,894,000 |
| Total Indirect Jobs Held by Service Territory Residents ³ | | | 2,890 |

Output - Total dollar change in the Illinois service territory's economy due to expenditures for Ameren Illinois' operations

Earnings - Total dollar change in earnings of households in the Illinois service territory due to expenditures for Ameren Illinois'

Employment - Total change in the number of jobs held by Illinois service territory residents per \$1 million of direct spending for Ameren Illinois' operations (adjusted to 2018 dollars)

¹ Assumes that 61 percent of total diverse supplier spending is to support capital projects

² Includes Direct and Tier Two diverse supplier spending

³ Only includes indirect earnings and jobs since this study only considers direct non-labor contractor spending by Ameren Illinois

Economic Impacts of Ameren Illinois' Diverse Supplier Spending on the State of Illinois, 2018

| | <i>Non-Labor Capital Expenditures¹</i> | <i>Non-Labor Operational Expenditures</i> | <i>Total Diverse Supplier Spending²</i> |
|---|---|---|--|
| Direct Spending | \$ 217,866,000 | \$ 139,291,000 | \$ 357,157,000 |
| <i>Multipliers (see explanatory notes below)</i> | | | |
| Output | 2.287 | 1.743 | 2.075 |
| Earnings | 0.721 | 0.362 | 0.581 |
| Employment | 13.937 | 5.720 | 10.522 |
| <i>Added Economic Impact on Illinois</i> | | | |
| Output | \$ 498,303,000 | \$ 242,742,000 | \$ 741,045,000 |
| Earnings | \$ 156,994,000 | \$ 50,395,000 | \$ 207,389,000 |
| Indirect Jobs Held by Service Territory Residents | 2,850 | 750 | 3,600 |
| <i>Total Economic Impact on Illinois</i> | | | |
| Output | | | \$ 1,098,202,000 |
| Earnings ³ | | | \$ 207,389,000 |
| Total Indirect Jobs Held by Illinois Residents ³ | | | 3,600 |

Output - Total dollar change in the Illinois economy due to expenditures for Ameren Illinois' operations

Earnings - Total dollar change in earnings of households in Illinois due to expenditures for Ameren Illinois'

Employment - Total change in the number of jobs held by Illinois residents per \$1 million of direct spending for Ameren Illinois' operations (adjusted to 2018 dollars)

¹ Assumes that 61 percent of total diverse supplier spending is to support capital projects

² Includes Direct and Tier Two diverse supplier spending

³ Only includes indirect earnings and jobs since this study only considers direct non-labor contractor spending by Ameren Illinois

Economic Impacts of Ameren Illinois' Diverse Supplier Spending on its Illinois Service Territory, 2017

| | Non-Labor Capital Expenditures ¹ | Non-Labor Operational Expenditures | Total Diverse Supplier Spending ² |
|--|--|--|---|
| Direct Spending | \$ 132,208,000 | \$ 84,526,000 | \$ 216,734,000 |
| <i>Multipliers (see explanatory notes below)</i> | | | |
| Output | 1.885 | 1.514 | 1.740 |
| Earnings | 0.600 | 0.288 | 0.478 |
| Employment | 11.370 | 4.131 | 8.512 |
| <i>Added Economic Impact on Service Territory</i> | | | |
| Output | \$ 249,265,000 | \$ 127,939,000 | \$ 377,204,000 |
| Earnings | \$ 79,285,000 | \$ 24,327,000 | \$ 103,612,000 |
| Indirect Jobs Held by Service Territory Residents | 1,440 | 330 | 1,770 |
| <i>Total Economic Impact on Service Area</i> | | | |
| Output | | | \$ 593,938,000 |
| Earnings ³ | | | \$ 103,612,000 |
| Total Indirect Jobs Held by Service Territory Residents ³ | | | 1,770 |

Output - Total dollar change in the Illinois service territory's economy due to expenditures for Ameren Illinois' operations

Earnings - Total dollar change in earnings of households in the Illinois service territory due to expenditures for Ameren Illinois'

Employment - Total change in the number of jobs held by Illinois service territory residents per \$1 million of direct spending for Ameren Illinois' operations (adjusted to 2017 dollars)

¹ Assumes that 61 percent of total diverse supplier spending is to support capital projects

² Includes Direct and Tier Two diverse supplier spending

³ Only includes indirect earnings and jobs since this study only considers direct non-labor contractor spending by Ameren

Economic Impacts of Ameren Illinois' Diverse Supplier Spending on the State of Illinois, 2017

| | Non-Labor Capital Expenditures ¹ | Non-Labor Operational Expenditures | Total Diverse Supplier Spending ² |
|---|--|--|---|
| Direct Spending | \$ 132,208,000 | \$ 84,526,000 | \$ 216,734,000 |
| <i>Multipliers (see explanatory notes below)</i> | | | |
| Output | 2.287 | 1.743 | 2.075 |
| Earnings | 0.721 | 0.362 | 0.581 |
| Employment | 13.937 | 5.720 | 10.724 |
| <i>Added Economic Impact on Illinois</i> | | | |
| Output | \$ 302,386,000 | \$ 147,303,000 | \$ 449,689,000 |
| Earnings | \$ 95,269,000 | \$ 30,582,000 | \$ 125,851,000 |
| Indirect Jobs Held by Service Territory Residents | 1,770 | 460 | 2,230 |
| <i>Total Economic Impact on Illinois</i> | | | |
| Output | | | \$ 666,423,000 |
| Earnings ³ | | | \$ 125,851,000 |
| Total Indirect Jobs Held by Illinois Residents ³ | | | 2,230 |

Output - Total dollar change in the Illinois economy due to expenditures for Ameren Illinois' operations

Earnings - Total dollar change in earnings of households in Illinois due to expenditures for Ameren Illinois'

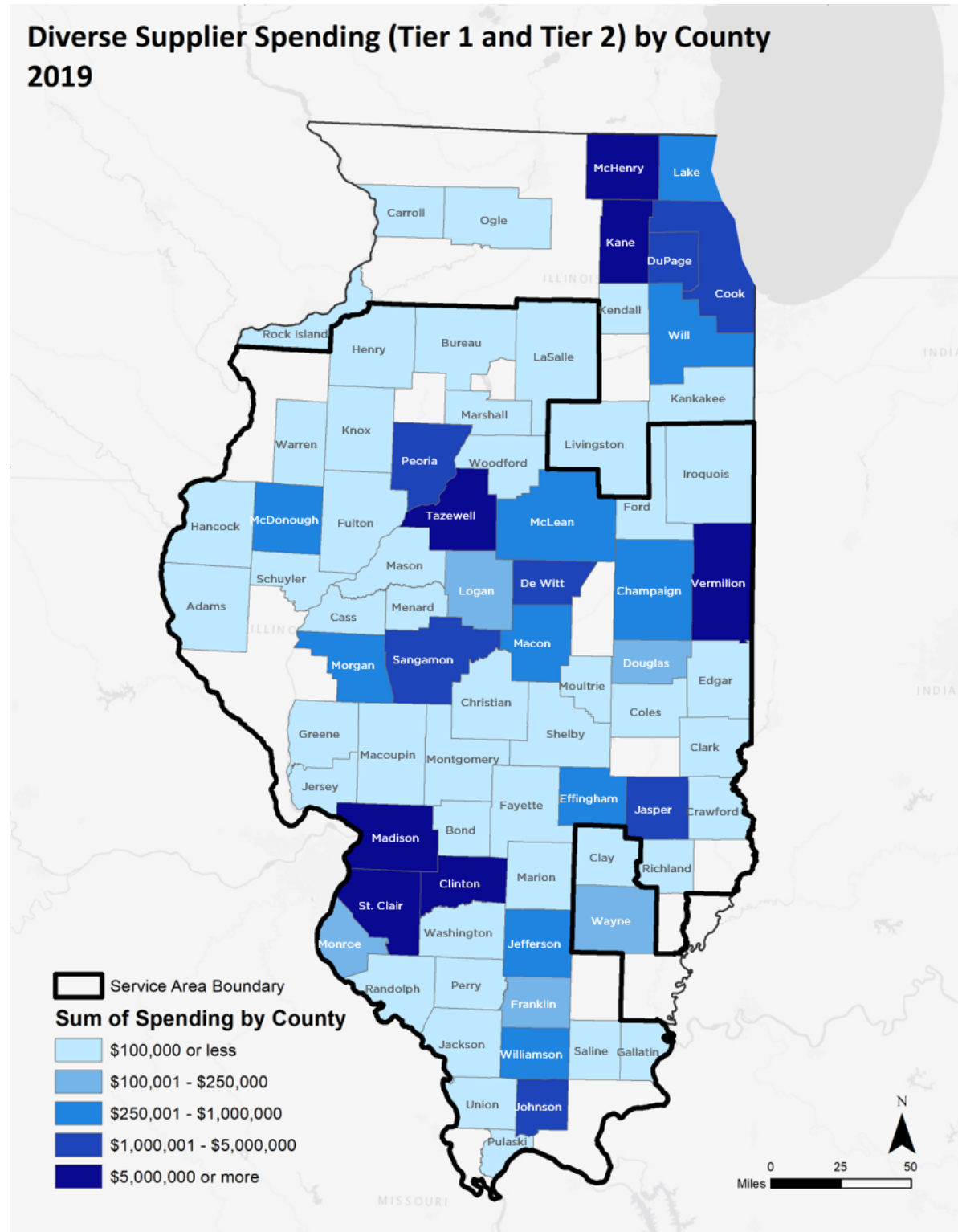
Employment - Total change in the number of jobs held by Illinois residents per \$1 million of direct spending for Ameren Illinois' operations (adjusted to 2017 dollars)

¹ Assumes that 61 percent of total diverse supplier spending is to support capital projects

² Includes Direct and Tier Two diverse supplier spending

³ Only includes indirect earnings and jobs since this study only considers direct non-labor contractor spending by Ameren

B. 2019 TIER ONE AND TWO DIVERSE SPENDING BY ILLINOIS COUNTY



APPENDIX C

DEFINITIONS OF SUPPLY CHAIN PROCUREMENT CATEGORIES

Definitions of Supply Chain Procurement Categories

| Product/Service Description | |
|---|---|
| Advertising Services | Promotional, news, publicity |
| Chemicals, Lubricants, and Gases | Specialty gases, bulk gases, grease, demineralized water chemicals, transformer oil |
| Construction and Building Materials | Sand, gravel, rock, steel shapes, bar stock, steel fabrication, scrap, lumber, bricks and tiles, sewer pipes and tiles, ebony, asbestos, transite, marble and Masonite, plumbing fixtures and supplies, fire clay |
| Control and Instrumentation | Pressure gauges, flow meters, SCADA, DCS, strip chart recorders, CEMs |
| Customer-Facing Services | Call center, billing, factoring A/R, locating, energy efficiency programs, credit and collections |
| Electrical Components and Supplies | Low-voltage switches, light fixtures, connectors, control cables, stationary batteries, UPS systems, panel fabrication |
| Energy Delivery Gas Materials | Gas-specific pipes, valves, and fittings; risers, regulators, anodes |
| Energy Delivery Maintenance and Construction Services–Distribution | Overhead distribution line and substation construction and maintenance, concrete and asphalt repair and restoration, relay testing and engineering, pole inspections and repairs, pole and tower painting, equipment rentals, traffic control services, and crane services for overhead energy delivery distribution work less than 100kV |
| Energy Delivery Maintenance and Construction Services–Transmission | Directional boring, line construction, transmission substation work, pole inspection, pole painting, rock drilling, tower painting, relay testing, electrical testing, inspection and restoration, etc. for overhead energy delivery work greater than 100kV |
| Energy Delivery Maintenance and Construction Services–Underground | Hydro-excavation, underground locating, directional boring and trenching, duct banks, underground substation work, and rock drilling for underground energy delivery work |
| Energy Delivery Underground Materials | Conduit, vaults, precast concrete structures, junction boxes, lead shields and sleeves, pedestals, manholes, frames, bends, spacers, coilable duct, covers, grates |
| Engineering and Architectural Services | Civil, electrical, mechanical, chemical |
| Environmental Services | Hazardous waste cleanup, remediation, industrial hygiene testing |
| Facilities Maintenance and Construction Services | Fencing, buildings, painting, new construction, roofing, concrete, asphalt, pavement replacement, excavation/grading, electrical work and construction, crane services for construction, demolition and/or demolition cleanup (excludes remediation), rental equipment |

| | |
|---|--|
| Facilities Management | Janitorial, maintenance, pest control, trash service, catering/food service, meetings, snow removal, office furniture, decorating, picture framing, landscaping, HVAC, plumbing, rental equipment |
| Fasteners and Hardware | Screws, nuts, bolts, washers, nails, abrasives, glass, buckets, cans, funnels, kettles, measures, pans, oilers, spouts, plugs, plates, studs |
| Filters | Oil, air, gas, oil processing, automotive, gasoline, miscellaneous |
| Fleet Materials | Trucks, earth movers, rails, tires, parts |
| Fleet Services | Engine repair, auto body, towing, general vehicle maintenance |
| Fuel | Coal, electric, nuclear fuel, natural gas, liquids, diesel, kerosene, derivatives and associated transportation |
| Gas Services | New construction, maintenance, trenching, gas well work, snubbing |
| General Maintenance and Construction Services | New construction, maintenance, industrial cleaning, scaffolding, fencing |
| Human Resource Services | Medical services, drug testing, benefits, life insurance, medical insurance |
| Insurance | Insurance of property, liability, D&O, fiduciary |
| IT Materials | Desktops, laptops, servers, LAN/WAN equipment, routers, software |
| IT Services | IT consulting, programming, network design, implementation services |
| Materials to Support Power Plant Maintenance, Repair, and Operations | Small industrial electrical components, fuses, cleaning supplies, welding supplies, hoisting equipment, electrical appliances |
| Meter Services | Contract meter reading |
| Office Supplies | Office supplies and equipment, including: copiers, faxes, A/V equipment, packing supplies, photographic equipment, photographic supplies, printed materials, printing services, labels, decals, and tags |
| Other | Category/description not elsewhere classified |
| Pole Line Hardware and Accessories | Anchors, arrestors, brackets, connectors, cutouts, insulators, guy-wire, pedestals, transformer pads, fuse links |
| Poles and Towers | Wood, towers, and crossarms |
| Professional Services | Expert testimony, management consulting, tax and auditing services, training, payroll services |
| Real Estate | Brokers' fees, title insurance, easements, ROW, appraisal services |

| | |
|------------------------------|--|
| Safety | First aid, goggles, glasses, fire extinguishers, fall protection, personal protective equipment, uniforms, electrostatic gloves, hot-wire cutters, respirators, respirator cartridges, safety line hoses, basket liners, lineman sleeves, hotline sticks, lift poles, insulated hoods, traffic cones, barriers, ice melt |
| Staff Augmentation | Temporary labor: clerical, technical and general |
| Street Lighting | Steel, fiberglass and concrete poles; luminaires; photo cells; street light brackets |
| Substation Materials | Air break switches, steel structures, power control cable, relays, remote terminal units (RTUs), insulators, switchgear, breakers, circuit breakers, re-closures, capacitors |
| Surveying | Surveying (aerial and land), gas surveying, mapping, soil boring/testing, concrete testing, other site-testing services |
| Telecom Materials | Telecom equipment, phone accessories, switches, optical cables, batteries, antennae, connector plugs, coaxial cable, printable tape |
| Telecom Services | Wireless, radio, local, and long-distance voice and data services; communication tower maintenance |
| Tools | Saws, wire cutters, wrenches, screwdrivers, hammers, drills, drill bits, ladders, chainsaws, trimmers, mowers, leaf blowers, rope, rigging, lifting accessories |
| Transformers | Distribution and power transformers, transformer services, network protectors, network protectors' key components |
| Transportation | Bus, helicopter, truckload and less than truckload freight; small package, air express, air cargo, courier |
| Travel | Hotels, airlines, rental cars, airport charges, taxis/limos, aircraft maintenance, travel agents |
| Vegetation Management | Power line tree trimming, substation mowing, bare ground weed control |
| Wire and Cable | Primary and secondary cable, bare conductors |

APPENDIX D

SUPPLIER DIVERSITY POLICY AND METHODOLOGY

POLICIES AND METHODOLOGY

A. Purpose

The purpose of this section is to set forth the Ameren corporate policy for Supplier Diversity in the procurement of non-fuel materials, services, and asset leases.

B. Scope

1. This policy applies to all Ameren companies, which include:
 - a. Ameren Illinois
 - b. Ameren Missouri
 - c. Ameren Transmission
2. Employee travel and entertainment expenses are not included in this policy.
3. This policy supersedes all previous Supplier Diversity policies.

C. Definitions

1. **Third-party certifying organizations recognized by Ameren:**
 - a. Ameren does not certify diverse suppliers and relies upon third-party certifying organizations.
 - b. Ameren recognizes certification from the National Minority Supplier Development Council (NMSDC) and its affiliate councils; the Women's Business Enterprise National Council (WBENC) and its affiliate councils; and federal, state, and local government certifying agencies. Contact the Supplier Diversity team for more information on certifying organizations.
2. **Supplier Diversity organization:** Works within Supply Chain to support contract development teams and business partner personnel in identifying diverse suppliers for inclusion in the sourcing and procurement processes.
3. **Contract Development Team:** Members may include the project manager, plant/facility manager, and a representative from Sourcing, Procurement, and Corporate Legal. Corporate Legal coordinates input from Credit; Tax, Finance/Accounting; Health, Safety, and Environmental; Risk Management; and other applicable departments.

D. Responsibilities

Supplier Diversity Organization

1. Sourcing for diverse suppliers.

- a. Organize and administer diverse-supplier sourcing strategies to include the following:
 - Participating as a member of contract development teams.
 - Identifying qualified diverse suppliers to include in procurement projects.
 - Providing insight into market and industry availability of diverse suppliers for specific commodities and services.
 - Sharing expectations and requirements with prospective diverse suppliers as they relate to procurement opportunities.
 - Sharing supplier information with the contract development team for the project and developing Tier II subcontracting opportunities.
 - Debriefing suppliers and providing feedback after contract award or non-award.

2. Build awareness within Ameren.

- a. Developing and communicating Supplier Diversity goals and policy.
- b. Continuing engagement of supply services groups and business segments.
- c. Integrating Supplier Diversity into all procurement strategies.
- d. Measuring, tracking, and reporting progress monthly and quarterly to all levels within the organization.
- e. Providing support, data, and analysis to other Ameren departments as required.

3. Community and industry awareness and interaction.

- a. Representing Ameren with community organizations, events, and initiatives related to Supplier Diversity in the Ameren service territory and nationally as required (e.g., minority/women's business councils, chambers of commerce).
- b. Supporting requirements set forth by government (local, state, federal) and utility service commissions as required.
- c. Supporting Supplier Diversity efforts of utility-related industry groups.

4. Developing competency and capacity for program growth.

- a. Integrating Supplier Diversity into procurement strategies.
- b. Building a Tier II initiative.
- c. Establishing a formal mentoring program for existing suppliers when deemed necessary and/or advisable.

5. Creating a sustainable process.

- a. Building on successful diverse-supplier relationships to grow long-term, sustainable spend opportunities.
- b. Providing Supplier Diversity training for supply services groups and business segments.
- c. Monitoring compliance of Supplier Diversity language in contracts and ensuring contracts are updated.
- d. Leading Supplier Diversity symposiums and summits.
- e. Administering recognition programs for outstanding business segments, buyers, and corporate partners.

Business Segments

1. Building awareness within Ameren.

- a. Communicating business segment leadership messages supporting and illustrating the importance of Supplier Diversity.
- b. Identifying and utilizing Business Segment Champions.
- c. Including Supplier Diversity in upcoming procurement projects.

2. Developing competency and capacity for program growth.

- a. Meeting with prospective diverse suppliers for future procurement opportunities.
- b. Evaluating progress relative to goals.
- c. Maintaining level of awareness.

3. Creating a sustainable process.

- a. Identifying opportunities for expanding the scope of work with successful diverse suppliers.
- b. Attending and participating in training classes, seminars, etc.
- c. Maintaining level of awareness regarding most recent Supplier Diversity requirements/language.
- d. Participating in and attending Supplier Diversity events.
- e. Participating in recognition programs.

Sourcing and Supply Chain Operations

1. Building awareness within Ameren.

- a. Communicating leadership messages supporting and illustrating the importance of Supplier Diversity.
- b. Developing competency and capacity for program growth.
- c. Incorporating Supplier Diversity into Sourcing and general procurement process.
- d. Ensuring Supplier Diversity is included in events and meetings with business segment partners.
- e. Meeting with identified prospective diverse suppliers for future procurement opportunities.
- f. Maintaining level of awareness.
- g. Evaluating progress relative to goals.

2. Creating a sustainable process.

- a. Identifying opportunities for expanding the scope of work with successful diverse suppliers.
- b. Attending and participating in training.
- c. Ensuring contracts contain the most recent Supplier Diversity requirements/language.
- d. Participating in and attending Supplier Diversity events.
- e. Participating in recognition programs.

E. Policy Requirements

- 1.** Supplier Diversity follows the same policy requirements outlined in the Procurement Policy.
- 2.** Notwithstanding anything contained in this Policy or in the Procurement Policy to the contrary, the corporation shall at all times comply with any and all applicable federal, state, and local laws and regulations to the extent such apply in any given situation.

F. Deviations

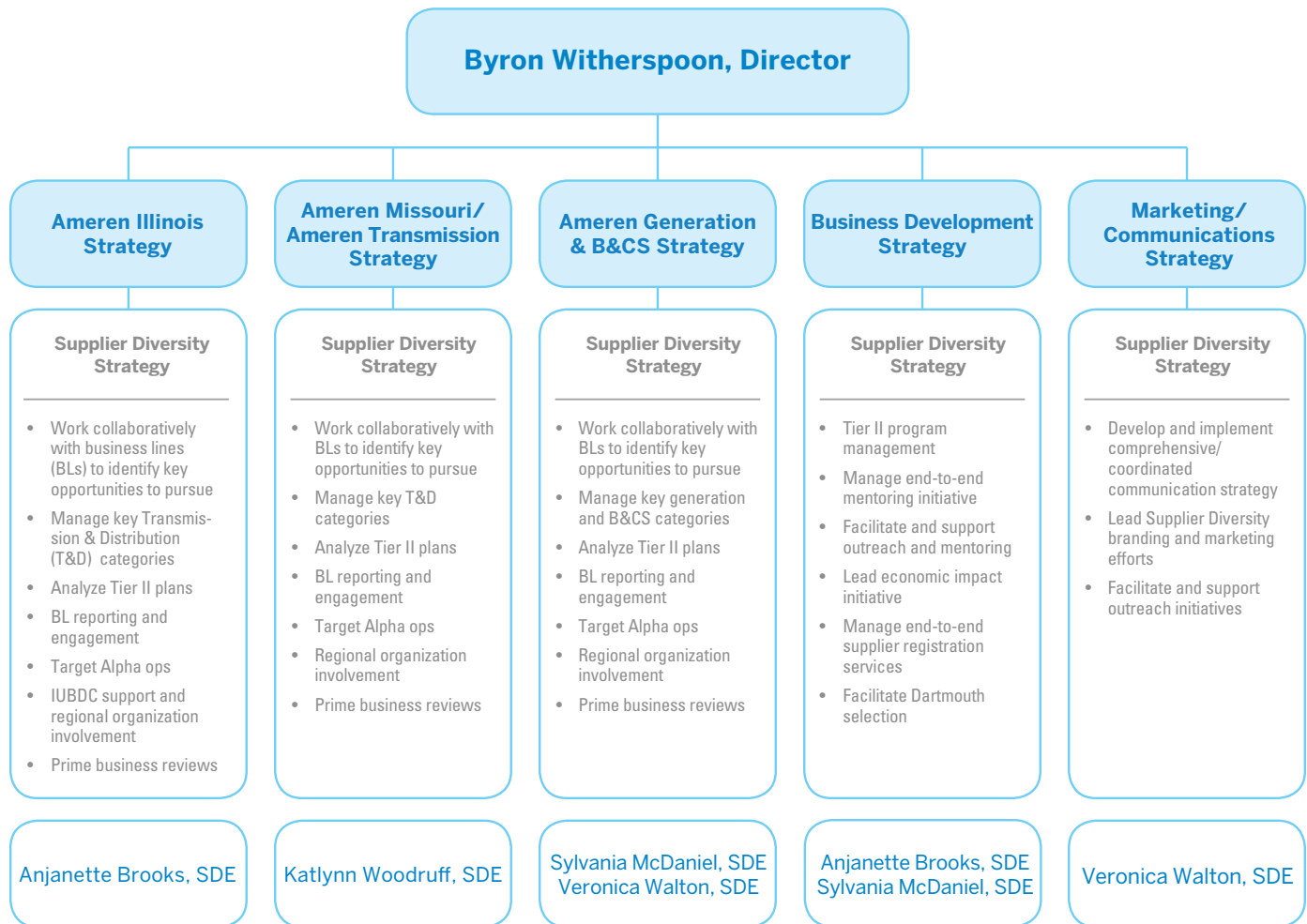
Deviations from this policy must be approved, in writing, by the vice president, Supply Chain/chief procurement officer in advance of commitments to suppliers or other non-Ameren entities.

APPENDIX E
ORGANIZATIONAL CHART

AMEREN ILLINOIS SUPPLIER DIVERSITY STEERING COMMITTEE



ORGANIZATIONAL CHART



SUPPLIER DIVERSITY TEAM: Ameren Supplier Diversity Executives, Sylvania McDaniel, Veronica Walton, Katlynn Woodruff, Anjanette Brooks, and Director of Supplier Diversity Byron Witherspoon.



APPENDIX F

ORGANIZATION PARTICIPATION

ORGANIZATION PARTICIPATION

Ameren actively engages with a number of organizations that support and promote the capabilities of diverse suppliers:

- American Association of Blacks in Energy
(<http://www.aabe.org/>)
- Chicago Minority Supplier Development Council
(<http://www.chicagomsdc.org/>)
- Edison Electric Institute
(<http://www.eei.org/Pages/default.aspx>)
- Hispanic Chamber of Commerce of Metropolitan St. Louis
(<https://www.hccstl.com/>)
- Illinois Black Chamber of Commerce
(<http://ilbcc.org/>)
- Illinois Hispanic Chamber of Commerce
(<http://www.ihccbbusiness.net/>)
- National Minority Supplier Development Council
(<http://www.nmsdc.org/>)
- Women's Business Development Center
(<https://www.wbdc.org/>)

APPENDIX G

2019 AMEREN DIVERSE SUPPLIER SYMPOSIUM AGENDA

AGENDA - 2019 RECEPTION

9/24/2019 - Ameren HQ - 1901 Chouteau Avenue, St. Louis, MO

| | |
|----------------|--|
| 4:30p - 5:30pm | Registration & Networking |
| 5:30p - 5:45p | Welcome - Warner Baxter, Chairman, President & CEO, Ameren |
| 5:45p - 6:00p | Dartmouth Scholarship Showcase - Pardeep Gill, Vice President, Supply Chain & Chief Procurement Officer |
| 6:00p - 6:10p | Announcement, 2019 Best in Class - LEGAL, Chonda Nwamu, Senior Vice President, General Counsel & Secretary |
| 6:10p - 6:15p | Closing Remarks - Byron Witherspoon |
| 6:15p - 7:30pm | Networking |



9/25/2019 - 2019 SUPPLIER DIVERSITY SYMPOSIUM ~ "Transforming Our Energy Future Together"

9/25/2019 - Marriott Grand St. Louis - 800 Washington Avenue., St. Louis MO 63101

AGENDA

| Time (CST) | Event* | Topic | Location |
|-----------------|---|---|--------------|
| 6:00am | Registration | | Foyer |
| 7:00 - 9:00am | Networking Breakfast & C-Suite Panel Discussion (Breakfast buffet - 6:45am to 7:20am; PANEL 7:30a - 9:00a) | <p>Welcome and Greetings - Byron Witherspoon, Director, Supplier Diversity</p> <p>Breakfast with the C-Suite:</p> <ul style="list-style-type: none"> * Pardeep Gill, Vice President, Supply Chain & Chief Procurement Officer * Sharon Harvey Davis, Vice President, Diversity & Inclusion & Chief Diversity Officer * Chonda Nwamu, Senior Vice President, General Counsel & Secretary * Haroon Taqi, Vice President Digital Portfolio, Architecture & Governance <p>Host: Byron Witherspoon, Director, Supplier Diversity</p> | Ballroom D/E |
| 9:00 - 9:15am | Break and Transition | | |
| 9:15 - 10:45am | Workshop 1 | <p>Doing Business with Ameren</p> <p>Ameren Sourcing - Paul Kenney, Manager, Materials Sourcing</p> <p>Ameren Missouri - Mark Brandt, Sr. Director Contractor Management</p> <p>Ameren Facilities Management & Construction - Daniel Kolta, Manager, Project Management</p> <p>Ameren Illinois - Ray Riddle, Director, Construction Services</p> <p>Ameren Transmission - Chuck Twellmann, Supervising Engineer, Transmission Construction</p> <p>Host: Katlynn Woodruff, Supplier Diversity Executive</p> | Ballroom D/E |
| 10:45 - 10:55am | Break and Transition | | |
| 10:55 - 12:00pm | Workshops 2-4 | <p>Power Generation: "Renewable Energy and the Future of Electrification"</p> <p>Presented by: Alex Rojas, Director, Distributed Technologies, Ameren</p> <p>Host: Sylvania McDaniel, Supplier Diversity Executive</p> | Ballroom C |
| | | <p>Focus on Safety and Quality Management</p> <p>Presented By: Nick Espolt, Safety Supervisor, Ameren & Donna Dansberry, Consulting Engineer, Ameren</p> <p>Host: Katlynn Woodruff, Supplier Diversity Executive</p> | Ballroom B |
| | | <p>Cloud Security: Threats, Trends, and Techniques for an Effective Strategy</p> <p>Presented by: Shaan Mulchandani, AWS Security Lead, Accenture Security</p> <p>Host: Eric Herr, Director, Cybersecurity Operations</p> | Ballroom A |

| | | |
|------------------|---|----------------|
| 12:00pm - 2:00pm | Networking Luncheon Tier 2 Honors Power Luncheon * Presentation of Tier 2 Honors, Presented by Duane Harley, Sr. Director, Engineering Design Construction & PM * Featured Speaker: Russell Frisby, Jr., Partner, STINSON, LLP, "The Integrated Grid: Facilitating Electrification & Creating Opportunities" Hosts: Sylvania McDaniel and Byron Witherspoon, Ameren Supplier Diversity | Ballroom D/E |
| 2:00 - 4:00pm | Exhibit Exhibit tables hosted by current Ameren suppliers & Ameren departments | Foyer |
| 2:00 - 4:00pm | Matchmaker Ameren current suppliers and prospective suppliers engaged in sequential pitch sessions. Host: Strategic Staffing Solutions | Ballroom F/G/H |