



Dear Best Buy GNFR Supplier,

Recently in partnership with our Merchandising, Marketing, and External Communications teams we announced a new multi-year strategy to procure \$1.2 Billion dollars in products and services from Black, Indigenous and people of color (BIPOC) and diverse businesses by end-of-year 2025. The purpose of this goal is to create a stronger community of diverse suppliers within our Tier 1, Tier 1.5, and Tier 2 partner portfolio.

Procurement goals specifically target growing and reporting diverse supplier spend for the Company across all tiers. Tier 1 represents our direct partnership with minority owned companies where at a minimum 51% stake in ownership is held by Black, LatinX, Asian, Indigenous, LGBT, Women, Veteran, Disabled persons. Tier 1.5 represents diverse spend through non-diverse suppliers where Best Buy is the sole beneficiary of product or service provided by such suppliers. Tier 2 represents diverse supplier spend through our non-diverse suppliers where Best Buy's proportionally with other clients contributes to Tier 1 supplier's diverse spend.

If you are Best Buy's diverse supplier, we would like to ensure we are fully aware of your capabilities and current product offerings. Requested action on your part: please reach out to your procurement contact or if unknown to SupplyDiversity@bestbuy.com to set up a portfolio review discussion. In addition to partnering with our current supplier base, we will continue to seek new vendors via our support of several diverse organizations such as North Central Minority Supplier Development Council (NCMSDC), Women's Business Enterprise National Council (WBEN), Quorum/National LGBT Chamber of Commerce (NGLCC).

If you are Best Buy's non-diverse supplier, you also play a critical role in our strategy. Our Tier 2 and Tier 1.5 is your Tier 1. We want to see you grow and report diverse supplier spend we helped contribute to. This means, for Tier 1.5 we will be capturing 100% of your diverse supplier spend incurred fully on behalf of Best Buy (for example: a diverse sub-contractor you have engaged for a Best Buy initiative). For Tier 2, we would like to capture % of your diverse supplier spend equal to our % of your revenue. Our intention is to elevate our strategic supplier partnerships beyond guarantees of quality and value. We expect alignment and partnership across all aspects of ESG (Environmental, social and governance) criteria including supplier diversity. Requested action on your part: look out for communications from your procurement contact and /or SupplyDiversity@bestbuy.com regarding data collection requirements and process.

In closing, I want to say that in my short time with Best Buy, I have seen great examples of our supplier community working with our business and procurement teams to help Best Buy enrich customers' lives through technology. Thank you for supporting our field, service, retail, and corporate functions. I'm excited for what Best Buy's future holds and the role our suppliers will play in it!

Sincerely,

Anna Barej
Vice President, Procurement

Best Buy diversity news release:

<https://corporate.bestbuy.com/best-buy-commits-to-spending-1-2b-with-bipoc-and-diverse-businesses-by-2025/>