



AEG OAKLAND COMMUNITY ANNUAL REPORT

COMMUNITY CONNECTION
& INTEGRATION

ORACLE
ARENA

O.CO
COLISEUM

2012-2013

LETTER FROM THE GENERAL MANAGER

CHRIS WRIGHT, GENERAL MANAGER
AEG FACILITIES

To the citizens of Alameda County and the City of Oakland:

When AEG was selected to manage the Oracle Arena and O.co Coliseum, we committed to investing in the future of Alameda County and the City of Oakland. AEG believes that healthy, vibrant communities are critical to our mission, our future, and our bottom line, so we take pride in our active involvement and partnership with the communities we serve.

This Annual Report provides a snapshot of our efforts to strengthen Alameda County and the City of Oakland over the past year by building meaningful partnerships with small, local and diverse businesses, developing relationships with community-based organizations, and implementing responsible business practices to protect the earth and the environment. Throughout this report, you will find examples of our interactions with local residents, businesses, and institutions, as well as data demonstrating our record of achievement to date. Most importantly, this first annual report will provide a blueprint for AEG's ongoing efforts to be a better partner, neighbor, and citizen.

We recognize that our success is tied to the strength of the communities we serve, so we pledge to remain committed to the health and vitality of the area surrounding Oracle Arena and O.co Coliseum. We are grateful to the Oakland Alameda County Coliseum Authority, the civic and community leaders, and the engaged residents who have given us the opportunity to learn about, contribute to, and become a part of your community this past year. We look forward to your feedback on this report and to your ongoing partnership as we work together to ensure that Alameda County and the City of Oakland continue to thrive and prosper.

COMMUNITY ADVISORY BOARD

AEG has a rich tradition of community engagement and support. Over the last 10 years, AEG has contributed over 65 million in direct financial and in-kind support of charitable, community and civic programs, with tens of millions more raised at affiliated venues and companies. To facilitate its community service efforts in Alameda County and the City of Oakland, AEG Facilities created the AEG Community Advisory Board ("CAB"), comprised of influential local business and community leaders. Members represent organizations such as chambers of commerce, faith-based institutions, professional associations, and diverse firms.

The CAB's purpose is threefold: the ongoing interaction, collaboration, and information exchange between members deepens the connection between the facilities and the community it serves; the group provides outreach opportunities that elevate the visibility and awareness of the facilities within the local community; and the CAB members offer valuable feedback and insights that strengthen the experience for all visitors.

Throughout FY13-14, the CAB will host a series of educational events that celebrate the diverse cultures of our surrounding communities.

COMMUNITY OUTREACH

IN-KIND DONATIONS

In addition to direct support, AEG donates valuable in-kind contributions in the form of tickets for a wide variety of live entertainment and sport events. The ticket donations provide lucrative fundraising opportunities for community-based organizations in the form of auction items, raffle prizes, or donor appreciation events. AEG has also offered community and civic organizations facilities space at no charge, generating significant cost-savings for those groups and enabling them to invest more money in services and programs.

MEMBERSHIPS

At AEG, we consider ourselves an extension of the local community, and we eagerly share the privileges and responsibilities of service, volunteerism, and community enrichment with other local institutions. The AEG team belongs to a wide range of civic organizations, delivering services to those in greatest need, devising solutions to the region's most complex challenges, and committing resources to secure a brighter future for citizens of Alameda County and the City of Oakland. AEG is a member of a wide range of civic and community-based organizations. Some of these organizations include: Airport Area Business Association, Hispanic Chamber of Commerce Alameda County, Oakland African American Chamber of Commerce, Oakland Chinatown Chamber of Commerce, Oakland Metropolitan Chamber of Commerce, San Leandro Chamber of Commerce and Visit Oakland.

JOB SHADOWING

In the past year, AEG has also focused its efforts on students throughout Alameda County and the City of Oakland. AEG was especially excited to launch a job shadowing program to provide a supplemental educational opportunity for local youth. Through a combination of direct observation, hands on activities, and close engagement with AEG team members, the AEG Job Shadowing Program inspires young people to expand their aspirations for the future. The program delivers the following outcomes:

- Exposure to professional workplace attire, etiquette, and business practices.
- Insight and understanding of the functions, business operations, and activities within distinct departments of a leading entertainment entity.
- Self-confidence gained through participating in workplace activities.
- Appreciation of the spirit of giving as demonstrated through the corporate giving and community reinvestment activities of AEG.

This year, the youth who participated in the program worked closely with representatives from the following AEG departments: Sales and Marketing, Events, Operations, Maintenance and Security.

GRAMMY MUSEUM TRIP TO WHITE HOUSE

In April, AEG selected five youth representing Oakland-based organizations Youth UpRising and OCCUR to attend an exclusive educational event at the White House. The annual program, sponsored by The Grammy Museum located in AEG's LA Live Development in Los Angeles, partners with AEG to identify students in the arts to attend the "In Performance at the White House" concert series. Students participated in an educational workshop introduced by First Lady Michelle Obama, and enjoyed performances by special musical guests.



2012-13



AEG 1EARTH

AEG 1EARTH is our corporate commitment to make responsible decisions that help improve the environment, our communities, and our business. Our environmental goals are purposefully far-reaching but achievable, and we use them as a roadmap to lead AEG in a sustainable direction over the next decade and beyond. In the Oakland facilities, we have implemented numerous projects to protect natural resources and reduce waste.

ENERGY CONSERVATION :

- Completed a \$600,000 stadium lighting project to replace light fixtures throughout common areas and install motion sensors, yielding a savings of \$28,000 a month.
- Initiated ongoing upgrade and installation of numerous Variable Frequency Drives throughout both facilities.

WATER CONSERVATION :

- Installed low flow toilets and urinals throughout the arena to conserve water.
- Collaborated with AEG 1EARTH to implement a hardscape management plan that will reduce water use on external and outdoor surfaces.

RECYCLING AND WASTE DIVERSION :

- Established an active E-waste program for all electronic waste; proceeds benefit a local church.
- Launched an active recycling program for plastic bottles, aluminum cans, and scrap waste, and donated a portion of the proceeds to a local nonprofit organization that supports foster children.
- Recycled all cardboard.
- Created the Closed Loop Compost Program, which features compostable trash liners and compostable concession packaging from cups, serving trays to cutlery.

SUSTAINABLE PURCHASING :

- Utilized 100% Post Consumer Recycled Paper Products.
- Purchased Green Seal Certified cleaners for majority of remaining chemicals.
- Required that all large janitorial equipment is fuel-efficient or battery operated to ensure it is zero to low emissions; introduced state of the art technologies like EC technology from TenantCo.
- Installed washable mats at all entries to capture dirt outside of the facility and to reduce the need for frequent cleaning.



SUPPLIER DIVERSITY INITIATIVE

OVERVIEW OF INITIATIVE GOALS, MISSION

Diversity and inclusion are key tenets of AEG's culture, as demonstrated in the company's commitment to ensure that our contractors and suppliers reflect the rich diversity of the communities in which we do business. In October 2012, AEG Oakland established a supplier diversity initiative intended to serve as a model for similar efforts within the Alameda County region. Goals of the Oracle Arena and O.co Coliseum plan include:

- Build a best-in-class supplier diversity program that demonstrates the values of AEG 1FORCE and meets or exceeds the requirements of the small and local business ordinances for Alameda County and the City of Oakland.
- Establish and enhance long-term partnerships between AEG and minority business enterprises ("MBE"), women business enterprises ("WBE"), local business enterprises ("LBE"), small local business enterprises ("SLBE"), very small local business enterprises ("VSLBE"), and small, local and emerging businesses ("SLEB") to expand the vendor pool and to ensure that Oracle Arena and O.co Coliseum's supplier diversity program targets are met.
- Provide regular comprehensive reports on the progress of the supplier diversity program and use the data to inform ongoing program improvement strategies.

Partnering with a local minority and woman-owned firm, AEG conducted a thorough assessment process that included evaluation and alignment of the following programs: Alameda County's Small Local Emerging Business (SLEB) Program, City of Oakland's Local and Small Business Enterprise (L/SLBE) Program, and AEG 1FORCE. To gain a better understanding of the current vendor pool, AEG administered a detailed vendor questionnaire identifying local, minority, women, and disabled veteran businesses. Data collected from the survey will provide a benchmark for present and future progress as we work toward supplier diversity program goals.

Following an aggressive implementation schedule, in July 2013, AEG launched an education and engagement program designed to clarify roles and responsibilities for internal stakeholders and external partners. The inaugural AEG Oakland Supplier Diversity Vendor Outreach Fair introduced vendors, suppliers, and business associations that represent local and diverse firms to Oracle Arena and O.co Coliseum's supplier diversity program, while providing access to the following certification programs and organizations: City of Oakland, Alameda County, Northern California Minority Supplier Diversity Council, Women's Business Enterprise National Council and California's Department of General Services.

AEG began tracking goods and services procured from diverse and local suppliers in March 2013. The results of our initial data collection will guide program implementation in FY 2013-14, as we refine and build on our initial efforts to develop a sustainable program that benefits local, minority, woman, and disabled veteran businesses in Alameda County and the City of Oakland.



"2012 Back-to-School Shoe Giveaway"