P&G 2ND TIER PROGRAM

WE ARE UNIQUE
AND
WE ARE UNITED
OBJECTIVE

TO PROVIDE P&G PRIME SUPPLIERS WITH INFORMATION AND TOOLS TO BEGIN REPORTING 2ND TIER SPEND IN SUPPORT OF P&G’S SUPPLIER DIVERSITY STRATEGY.
CONTENT

P&G’S WIDEN THE SCREEN VIDEO

P&G’S SUPPLIER DIVERSITY STRATEGY

2ND TIER PROGRAM

SUPPLIER DIVERSITY EXTERNAL COUNCILS
CLICK HERE OR IN THE IMAGE BELOW TO WATCH ONE OF OUR WIDEN THE SCREEN VIDEOS

Let’s widen the screen so we can widen our view

Procter & Gamble | Widen the Screen
P&G’s Supplier Diversity Ambition by 2030

INCREASE GLOBAL SPEND FROM $3 BILLION TO $5 BILLION

DOUBLE THE NUMBER OF PRIME SUPPLIERS REPORTING 2ND TIER

DOUBLE SPEND WITH BLACK OWNED BUSINESSES

REACH $10 BILLION ACCUMULATIVE SPEND WITH WOMEN OWNED AND LED BUSINESSES BY 2025
P&G’S SUPPLIER DIVERSITY STRATEGY

• WORK WITH OUR BUSINESS LEADERS TO ESTABLISH SPECIFIC TARGETS

• MODIFY OUR SOURCING SYSTEMS

• LEVERAGE OUR WORLD-CLASS SUPPLY CHAIN FINANCING PROGRAM

• INCREASE 2ND TIER SPEND WITH ALL PRIME SUPPLIERS
WHAT IS 2ND TIER SPEND?

HOW DO YOU REPORT TO P&G?
WHAT IS A 2ND TIER SPEND?

TIER 1

PROCTER & GAMBLE

TIER 2

These are your suppliers)

DIVERSE SUPPLIERS

NON-DIVERSE SUPPLIERS

(This is you)

DIVERSE SUPPLIERS

These are your suppliers)
TYPES OF 2ND TIER SPEND

DIRECT versus INDIRECT

REASON FOR YOUR DIVERSE SPENDING:
- CUSTOMER RELATED SUBCONTRACTS
- OPERATIONAL ACTIVITIES

CATEGORY OF DIVERSE SPENDING:
- DIRECT TIER 2 SPENDING
- INDIRECT TIER 2 SPENDING
CRITERIA OF 2ND TIER SUPPLIERS

U.S:
- Suppliers from multiple diversity categories including:
  - MBE*, WBE, SDVET, VET, LGBT, PwD

Countries outside of the U.S:
- WBE suppliers only
- Certified by WeConnect (agency) or supplier Self-registered

*Black, Hispanic, Native American, Asian-Pacific, Asian-Indian.

For more detailed description, visit NMSDC website
WAYS YOU CAN IMPACT 2\textsuperscript{ND} TIER

WORK WITH THE P&G BUYER/SRO TO DEVELOP A 2\textsuperscript{ND} TIER PLAN

ENROLL/TRAIN ON THE SUPPLIER.IO TOOL

LEVERAGE SUPPLIER DIVERSITY EXTERNAL COUNCILS
P&G 2\textsuperscript{nd} TIER REPORTING PROCESS
GETTING STARTED – BASIC INFORMATION

- Report online every quarter
- Have your total company’s sales to P&G in the US and overall company’s sales in US available
- Submit spend by diversity category for Indirect Spend
- Submit company name and spend amount for each supplier for Direct spend
  - You can report Direct spend for Outside the US in the tool
WHEN TO REPORT?

Q1 – JAS Due by October 31st
Q2 – OND Due by January 31st
Q3 – JFM Due by April 30th
Q4 – AMJ Due by July 31st
TOOLS & RESOURCES

INFORMATION: HTTPS://PGSUPPLIER.COM/SUPPLIER-DIVERSITY - THIS IS WHERE YOU’LL FIND MORE INFORMATION ABOUT OUR SUPPLIER DIVERSITY EFFORTS.

• ENROLL: HTTPS://WWW.UNIFIEDTIER2.COM/REQUEST REPORTINGACCESS.HTML - TO ENROLL IN TIER 2 REPORTING, FOLLOW THIS LINK AND SELECT P&G.
SUPPLIER DIVERSITY
EXTERNAL COUNCILS
WHAT IS THE ROLE OF AN EXTERNAL SUPPLIER DEVELOPMENT COUNCIL?

- CERTIFY DIVERSE OWNED SUPPLIERS
- PROVIDE DEVELOPMENT OPPORTUNITIES THROUGH CAPABILITY AND LEARNING
- CONNECT MBES WITH CORPORATE MEMBERS
EXTERNAL COUNCILS & AFFILIATES

NATIONAL MINORITY SUPPLIER DEVELOPMENT COUNCIL (NMSDC): HTTP://WWW.NMSDC.ORG/NMSDC/

WOMEN’S BUSINESS ENTERPRISE NATIONAL COUNCIL (WBENC): HTTP://WWW.WBENC.ORG/REGIONAL-PARTNER-ORGANIZATIONS2

NATIONAL GAY & LESBIAN CHAMBER OF COMMERCE (NGLCC): HTTP://WWW.NGLCC.ORG/AFFILIATE-CHAMBERS

DEPARTMENT OF VETERAN AFFAIRS: HTTP://WWW.VA.GOV/

WECONNECT INTERNATIONAL: HTTPS://WECONNECTINTERNATIONAL.ORG/EN/

DISABILITY:IN: HTTPS://DISABILITYIN.ORG/
WE HOPE THAT YOU ARE ABLE TO JOIN US ON OUR JOURNEY TO INCREASE 2ND TIER SPEND TO HELP US REACH $5B BY 2030.

IF YOU ARE INTERESTED IN LEARNING MORE FROM OUR DIVERSE SUPPLIERS FROM TODAY, PLEASE REACH OUT DIRECTLY TO THEM OR SEND A NOTE TO:

CITIZENSHIP.IM.1@PG.COM

IF YOU WANT TO FIND OUT MORE ABOUT P&G’S SUPPLIER CITIZENSHIP PROGRAM, PLEASE GO TO: WWW.PGSUPPLIER.COM