



SHELL'S DIVERSE SUPPLIER PIPELINE MANAGEMENT PROCESS

What is different about Shell's diversity strategy?

- In the past we had an open registration system for interested suppliers similar to other companies. However, for the last few years, we have focused on upcoming opportunities, seeking out companies with services and products that Shell will be purchasing in the near/medium term and sharing more in-depth information about their capabilities/features with our supply chain colleagues. This allows us to focus on helping these companies improve their readiness to bid and cultivate relationships with the business. We advocate for diverse suppliers who meet the criteria of the business and monitor/facilitate their progress through the Shell system.
- We are making every effort to be clear about what opportunities are and are not available within the Shell supply chain.

Why did Shell make this change?

- Focusing our engagement on diverse suppliers with products or services that match specific opportunities over the near/medium term allows us to better use our limited resources as advocates and develop a laser focus on current and potential opportunities.
- This has also allowed us to develop a stronger Capacity Building program to help high-potential suppliers become more business ready.

What are the benefits of this process?

For our vendors, the benefits are:

- Knowing that the Supplier Diversity team is more focused on, and has access to, purchasing opportunities across Shell's supply chain.
- Vendors entered in the Shell Pipeline Process will be more effectively supported by the Supplier Diversity Team to navigate the Shell procurement process for real opportunities.
- Vendors who are not added to the Shell Pipeline Process will save their valuable business development time for pursuing opportunities with higher business potential. The information we gather over continued engagements can help better prepare them to qualify for future opportunities.
- Everyone in our potential supply chain will have access to better information about how to prepare for future opportunities and when those opportunities become available.

For Shell, the benefits are:

- A more robust, competition-driven supply chain.
- A better understanding of how to make appropriate opportunities work for diverse suppliers.
- A more efficient process that helps us improve how we make win-win connections.
- The ability to track, in a variety of ways, evaluate and improve the effectiveness of our Supplier Diversity programs, as well as those of our external partners.

What is Shell doing to help the companies that don't match any near/medium term opportunities?

- Our educational efforts with national, regional and local partner organizations are helping these companies consider adapting a product or service to better meet Shell's specific needs, or, in some cases, recognize that they really don't have a fit within Shell.
- We continue to seek 2nd Tier opportunities and help connect companies to pursue business with fellow diverse businesses and with other corporate peers.

What about companies providing services or products that Shell needs, but where a long term contract is in place?

- We can provide information about the duration of many of those contracts and closer to the end of the established contracts, we may reach out to potential diverse suppliers. It will, however, be the interested company's responsibility to monitor the status of those contracts and start their qualifying process as the time approaches where opportunities for these commodities or services may be arising.
- Potential suppliers should stay connected and active with their national and local councils, which provide an ongoing forum to reconnect with Shell Supplier Diversity and procurement focal points. Diversity councils will also be a key resource for Shell, providing input on potential suppliers as the time frame for procurement opportunities approaches.
- Shell participates in diversity council expos and often invites representatives from purchasing business units who have up to date information about opportunities.
- Follow us on Twitter for the latest information on procurement opportunities, 2nd tier initiatives, events, and other Shell Supplier Diversity news.

How does Shell impact those suppliers that never make it into their supplier system/strategy?

The simple truth is that not every business will have a good fit with Shell, or any other corporation. For those companies that provide services and/or products that we don't anticipate using, we:

- Continue to engage the supplier community directly and openly during expos, dinner/lunch events and business matchmaking events.
- Continue to offer capacity building training through our chambers and councils during their events.
- The use of our streamlined strategy allows us to identify more opportunities for suppliers where potential exists to do business in Shell's supply chain. It also allows Supplier Diversity to usher prospective suppliers through the procurement process more effectively.

Follow us on Twitter for the latest information on procurement opportunities, 2nd tier initiatives, events, and other Shell Supplier Diversity news.

Frequently Asked Questions

1. What does Find Your Fit mean?

- Shell recommends that each supplier use the online resources available to conduct research into a company's processes and activities to truly find where their product or service fits best. For large corporations, it is recommended that a supplier understand the business units, operational footprint, and environment in which that corporation performs its business ... and ask the question; "Where is the best fit for my business solution?".
- It also means, prior to stating that your company can be a great partner to ours, be sure you have had the right conversations with us, to substantiate this statement..
- You should be able to describe, in detail, how your company found your fit with the last company where you had business success, as well as, how your product or service added value to that company's bottom line.

2. What resources should I focus on when trying to Find My Fit?

- Read the latest press releases, speeches or remarks given by senior leaders within your targeted corporations. You can typically find these in the media sections of their websites.
- Understand the top business challenges facing the corporations on your target list. What about their industry? Does your product or service address or connect to these challenges?
- Be sure you have a well-developed value proposition for your product or service. The typical value proposition sheet tells us what you do, what you've done and who you did it with. Very rarely does it state the clear VALUE that your product or service provided for your previous/current clients. Having a closer connection to that value and being able to express it may help you find your fit elsewhere.

3. What is the best way to use my time at expos and events to find my fit?

- You may actually come across some immediate needs, just by being in the right place at the right time with the right product or service. It happens, but not often. It's important to use engagements to build relationships over time.
- We recommend that you develop a list prioritizing your top 4 or 5 corporations and/or peer prospects prior to attending an event.
- Start out the event being laser focused on meeting multiple representatives within those companies.
- Ask your peers what they know about your targeted companies as they can provide candid, useful information.
- Prioritize your contacts based on your connections ... then start learning more and more about the companies, their business processes, their top challenges and needs.

We are continuing our emphasis on expanding the information you can get about diversity opportunities through social media. Get connected to Shell Diversity now!

Stay Connected: We are putting big emphasis on expanding the information you can get about diversity opportunities through social media. Get connected to Shell Diversity now!

Follow us on Twitter:

@ShellDiversity

Visit our website:

www.shell.us/getconnected