

Responsible Sourcing Strategy 2016-18

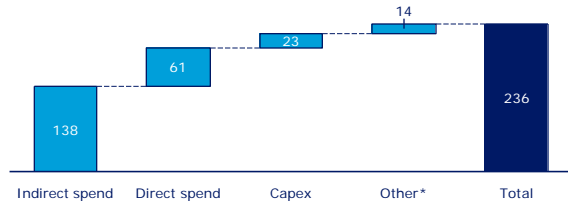


Responsible Sourcing Performance Dashboard 2017

Explanations

1 2017 High risk suppliers

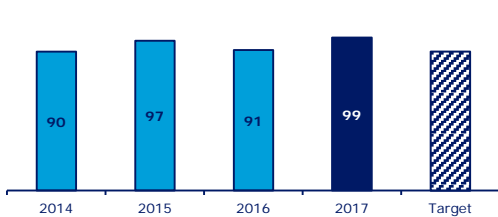
Results from annual RS risk assessments



- Other includes local manufacturing and outsourced services

2 KPI: RS clauses with high risk suppliers

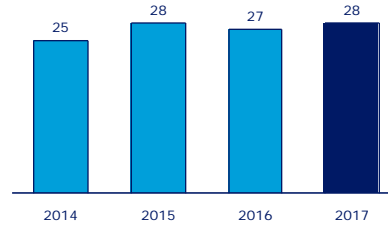
% of high risk suppliers with RS contract clauses in contracts



- Target of 90% in Q4 and 100% in Q1 the following year

3 No. of audits

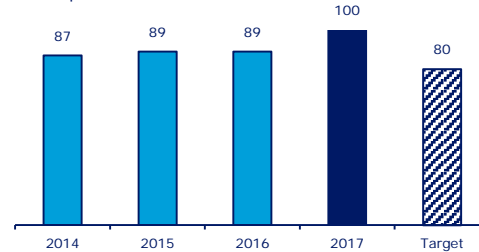
RS Audits with high risk suppliers



- Approx. 50% of audits are in China

4 KPI: Timely closure of findings

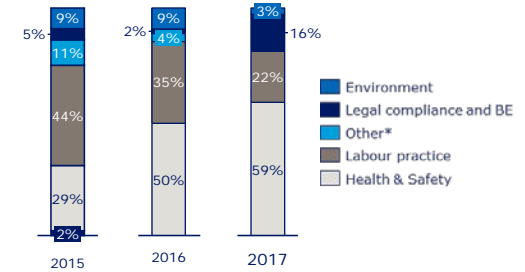
% of critical and major findings from RS audits closed in line with action plan deadlines



- Scope covers the countries with the highest number of audits: China, Brazil and Russia

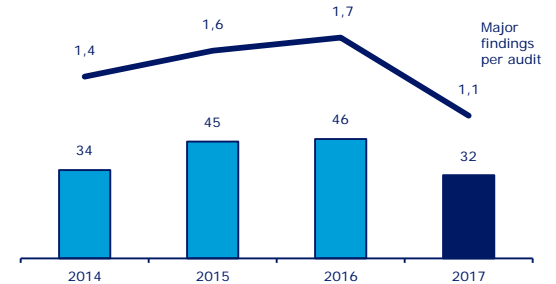
5 Main findings type

Findings as per the RS Standards



- 2 audits rated overall as 'low level of compliance' in 2017 (vs. 3 in 2016)
- *Other includes: business integrity, sub-suppliers or general compliance

6 No. and share of major and critical findings



- Average no. of major findings per audit has decreased again from 1.7 (2016) to 1.1 (2017)
- No critical findings in the past 4 years