

# Appendix: Secondary Company Research - New and Updated Companies for Team 5 - 3/15/2012

## CATERPILLAR

### SRM Evaluation:

#### Supplier Website

<http://www.cat.com/cda/layout?m=39740&x=7>

<https://supplier.cat.com/supplier/Main> or <https://login.cat.com/cgi-bin/login>  
[2011: Caterpillar Connect - Cat's supplier website]

#### **Contacts: NA**

#### **Summary**

Good supplier relationships. Maintains a database for the same. Have a supplier diversity form. Upon reception of your accurate and completed Supplier Diversity Registration Datasheet; your company's information will be placed in our Supplier Diversity Database, which is frequently used by our sourcing teams when attempting to identify diverse suppliers that match Caterpillar's current business need. A submission of a Supplier Diversity Registration Datasheet does not imply a contractual agreement is in place, nor does it qualify you as an official Caterpillar supplier. Caterpillar is not obligated to procure from you business. A Caterpillar Global Purchasing representative will contact you only if and when a business opportunity presents itself. Notification of selection will then be followed by further evaluation for compliance with our supplier standards and compatibility with our strategic vision.

#### **Partnership Guidelines**

<http://www.caterpillar.com/company/suppliers/supplier-communications-guidelines>

[2011: Because of the volume of suppliers Caterpillar does business with and in an effort to treat all suppliers fairly while protecting the Caterpillar name, Caterpillar has developed and follow fairly stringent guidelines and request cooperation from suppliers in adhering to these guidelines.]

#### **Lawsuits: NA**

#### **Best Practices**

[http://elearning.b2bmediaco.com/issues/learningleadersawards07/casestudy\\_Cartepillar.html](http://elearning.b2bmediaco.com/issues/learningleadersawards07/casestudy_Cartepillar.html)

A Caterpillar supplier whose factory was totally destroyed in a tornado was able to use the Knowledge Network to coordinate production from temporary facilities and marshal resources during the reconstruction of the original facility. The availability of this mission-critical information kept the assembly lines at Caterpillar running and put the supplier's employees back to work sooner.

2011: Uses SAP suite.

#### **Vendor Recognition**

[http://themanufacturer.com/us/content/5868/Caterpillar\\_awards\\_first\\_European\\_certificate](http://themanufacturer.com/us/content/5868/Caterpillar_awards_first_European_certificate)

[2011: Bolgers receives the Caterpillar Certified Supplier Award, given to manufacturers who adhere to stringent production and quality guidelines set forth by Caterpillar]

#### **Company Recognition**

<http://logistics.cat.com/cda/components/fullArticle?m=115229&x=7&id=390953>

#### **Miscellaneous**

<http://www.verian.com/Caterpillar.htm>

Caterpillar dealers use Verinan solutions for spend management because of its ease of use, easy integrations with CAT systems, flexibility and the right infrastructure support.

## LHR Evaluation

**Code of Conduct Evaluation: NA**

**Contracts Evaluation:** [http://dealertraining.cat.com/suppliertraining/catalog\\_03b.pdf](http://dealertraining.cat.com/suppliertraining/catalog_03b.pdf)  
[Caterpillar Supplier Services Training Catalogue]

**Supplier Monitoring/Evaluations: NA**

**Labor related lawsuits: NA**

## **Community Involvement:**

<http://www.caterpillar.com/sustainability>

[Caterpillars sustainability home, with description of Environment Health & Safety (EHS) teams, sustainability focused affiliations (works with a wide range of individuals and organizations to promote sustainability globally) and the 2010 Sustainability Report]

**Tracking Mechanisms:** Uses SAP suite.

**Miscellaneous: NA**

## (2011)Sustainability Evaluation:

### **Code of Conduct:**

[http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/people\\_planet.html](http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/people_planet.html)

(Our Values in Action, Caterpillar's Worldwide Code of Conduct, first published in 1974, defines what we stand for and believe in, documenting the uncompromisingly high ethical standards our company has upheld since its founding in 1925. The Our Values in Action Web site helps Caterpillar employees put the values and principles expressed in our Code of Conduct into action every day by providing detailed guidance on the behaviors and actions that support our values of Integrity, Excellence, Teamwork and Commitment.)

**Contracts: N/A**

### **Training Programs:**

[http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/critical\\_success\\_factors.html](http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/critical_success_factors.html)

(Internal : We are working to embed sustainable development into our day-to-day business and are devising metrics to chart our progress. We are pursuing activities in three critical areas. **Culture.** Create a culture of sustainable development in all our business units and in all our daily work. **Operations.** Be consistent with our sustainability principles and contribute to enterprise-sustainable development goals. Business Opportunities. Identify and pursue business growth opportunities created by sustainable development.)

<http://dealertraining.cat.com/suppliertraining/comptrain.htm>

(Have many supplier training programs but can't find programs that are related to environmental improvement)

### **Reports:**

<http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/index.html>

(Caterpillar provides the products and services that develop infrastructure and enhance mobility, the backbone of a growing global economy; and we are determined to make sustainable progress possible.)

**Evaluation: N/A**

**Tracking Mechanisms: N/A**

**Supplier Enforcement: N/A**

**Second tier Suppliers: N/A**

**Dow Jones Sustainability index: Yes**

Newsweek green score: 56.8 (ENVTL.IMPACT:54, ENVTL. MGMT: 59.1, DISCLOSURE: 58.8)

**Miscellaneous:**

<http://marine.cat.com/cda/files/1502543/7/5.14.09+D7E+EPA.pdf>

(Caterpillar Inc. Receives United States Environmental Protection Agency's Clean Air Excellence Award)

[http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/our\\_business.html](http://producttour.cat.com/Microsites/US/ARSR2009/SR2009/our_business.html)

(Case studies, projects for Caterpillar's sustainability efforts)

## Deere and Company (John Deere)

**SRM Evaluation**

**Supplier Website:**

[https://jdsn.deere.com/wps/portal/jdsn/My\\_JDSN?WCM\\_GLOBAL\\_CONTEXT](https://jdsn.deere.com/wps/portal/jdsn/My_JDSN?WCM_GLOBAL_CONTEXT)

[2012: Supplier Portal- John Deere Supply Network]

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/investor\\_relations/corporate\\_governance/code\\_of\\_conduct/supplier\\_code\\_of\\_conduct.page?](http://www.deere.com/wps/dcom/en_US/corporate/our_company/investor_relations/corporate_governance/code_of_conduct/supplier_code_of_conduct.page?)

[2012: Supplier Code of Conduct]

**Contacts:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/contact\\_us/contact\\_us.page?](http://www.deere.com/wps/dcom/en_US/corporate/our_company/contact_us/contact_us.page?)

[2012: Contact Us]

**Summary:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/about\\_us/about\\_us.page?](http://www.deere.com/wps/dcom/en_US/corporate/our_company/about_us/about_us.page?)

[Since its founding in 1837, John Deere has seen a great many changes in its business, its products, its services. Change always comes with opportunity. And Deere has always been ready and willing to embrace it. Yet, through it all, John Deere is still dedicated to those who are linked to the land - farmers and ranchers, landowners, builders, and loggers. And Deere has never outgrown, nor forgotten, its founder's original core values. Those values determine the way we work, the quality we offer, and the unsurpassed treatment you get as a customer, investor, employee.]

**Partnership Guidelines:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/about\\_us/doing\\_business\\_with\\_us/suppliers/suppliers.page?](http://www.deere.com/wps/dcom/en_US/corporate/our_company/about_us/doing_business_with_us/suppliers/suppliers.page?)

[2012: Suppliers]

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/about\\_us/doing\\_business\\_with\\_us/licensed\\_merchandisers/licensees.page](http://www.deere.com/wps/dcom/en_US/corporate/our_company/about_us/doing_business_with_us/licensed_merchandisers/licensees.page)

[2012: Licensed Merchandisers]

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/about\\_us/doing\\_business\\_with\\_us/dealers/dealers.page?%0A%09%09%20%09](http://www.deere.com/wps/dcom/en_US/corporate/our_company/about_us/doing_business_with_us/dealers/dealers.page?%0A%09%09%20%09)

[2012: Dealers]

**Lawsuits:**

<http://www.topclassactions.com/open/604-lawn-mower-class-action-lawsuit-settlement>

[John Deere Class Action Lawsuit- 2010]

**Best Practices: NA**

**Supplier diversity program:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/careers/why\\_john\\_deere/diversity/diversity.page](http://www.deere.com/wps/dcom/en_US/corporate/our_company/careers/why_john_deere/diversity/diversity.page)

[Diversity at John Deere is not just about our employees. We work to maintain a supplier base that reflects the diversity of our markets worldwide. Since 1980, the John Deere Supplier Diversity program has established and nurtured relationships with diverse suppliers. Why is this important? A diverse group of suppliers brings a broader perspective to our business. A broader range of ideas and innovations, too. All this leads to better business for us ... and our suppliers.]

**Vendor Recognition:**

<http://rand.com/news-events/press-releases/2011/RAND-Worldwide-John-Deere-Award-2010>

[RAND Worldwide Earns John Deere “Partner-level Supplier” Award, 03/03/2011]

<http://www.recyclingtoday.com/behrr-supplier-award-john-deere.aspx>

[Behr Iron and Steel Wins John Deere Supplier Award, 03/23/2011]

<http://www.hdma.org/Main-Menu/HDMA-Publications/Diesel-Download/March-7-2011/Commercial-Vehicle-Group-Earns-2010-John-Deere-Supplier-of-the-Year-Award.html>

[Commercial Vehicle Group 2010 John Deere Supplier of the Year Award, 03/07/2011]

It appears that John Deere awards Supplier Recognition awards every year; many more examples are available through web searches.

**Company Recognition:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/news\\_and\\_events/04nov2010\\_enviropgress.page](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/news_and_events/04nov2010_enviropgress.page)

[John Deere Commercial Products Recognized for Environmental Progress]

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/news\\_and\\_media/press\\_releases/2009/irrigationaward\\_01062009.page](http://www.deere.com/wps/dcom/en_US/corporate/our_company/news_and_media/press_releases/2009/irrigationaward_01062009.page)

[John Deere Green Tech Wins Irrigation Association New Product Award]

Other on [www.deere.com](http://www.deere.com) in News and Media

**Miscellaneous: NA****LHR Evaluation:****Summary:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

[This code of conduct applies to all businesses that provide products or services for John Deere and its subsidiaries, joint ventures, divisions, or affiliates. John Deere requires suppliers and their employees to commit to this code of conduct as a condition of doing business.]

[John Deere suppliers must comply with the laws, rules, regulations, and John Deere policies of the countries and locations in which they operate. They are expected to be familiar with the business practices of their suppliers and subcontractors, and ensure they operate according to this code of conduct. John Deere may discontinue its relationship with suppliers who fail to comply with this code.]

**Code of Conduct Evaluation:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

The code of conduct states that no child labor is acceptable; the suppliers may not employ workers under the age of 14 and must limit the work expected of employees under the age of 18 that could cause harm with their health, safety, or education.

The code of conduct also addresses no support for forced labor or human trafficking within the supply base, as well as the suppliers must enforce discrimination policies and fair compensation policies.

**Contracts Evaluation: NA**

**Supplier Monitoring/Evaluations:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

[Supply chain transparency is required to confirm compliance to this code of conduct. To monitor this, John Deere will request documentation, conduct onsite audits, review and approve corrective action plans, and verify implementation of corrective action.]

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

Suppliers are expected to have their own management processes to ensure that they are complying with all of the provided John Deere policies and requirements.

**Reporting: NA**

**Second-tier suppliers:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

Suppliers are expected to share all requirements with their suppliers to be enforced as well.

**Labor related lawsuits: NA**

**Community involvement: NA**

**Tracking Mechanisms: NA**

**Miscellaneous: NA**

**Environmental Evaluation**

**Code of Conduct:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

[Suppliers are expected to conduct their operations in a way that minimizes the impact on natural resources and protects the environment, customers, and employees. They must ensure their operations comply with all laws related to air emissions, water discharges, toxic substances, and hazardous waste disposal. Suppliers' products must comply with the John Deere Restricted Materials List (for suppliers). They must maintain sufficient knowledge of input materials and components to ensure they were obtained from permissible sources, in compliance with laws and regulations. Suppliers may be required to validate this origin.]

**Sustainability Efforts:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/environmental\\_stewardship/environmental\\_stewardship.page?%0A%09%09%20%09](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/environmental_stewardship/environmental_stewardship.page?%0A%09%09%20%09)

[Safeguarding the environment is nothing new to John Deere. We know that responsible resource management is vital to our company, our employees, our customers, our neighbors, and our world. John Deere works tirelessly to develop and offer products that are efficient and effective, and minimize the environmental impact.]

**Contracts: N/A**

**Training Programs: NA**

**Reports:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/news\\_and\\_events/citizenship\\_report.page](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/news_and_events/citizenship_report.page)

The Global Citizenship Report is provided annually with information about citizenship of John Deere, including environment, LHR, employees, etc.

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/news\\_and\\_events/2011may04\\_busround.page](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/news_and_events/2011may04_busround.page)

John Deere recognized in the 2011 Business Roundtable Sustainability Report to recognize John Deere’s environmental stewardship efforts.

**Lawsuits:** N/A

**Evaluation:** NA

**Tracking mechanisms:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/environmental\\_stewardship/operations/operations.page?](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/environmental_stewardship/operations/operations.page?)

The metrics information provides the status on the efforts being made by John Deere.

**Supplier Enforcements:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

[Supply chain transparency is required to confirm compliance to this code of conduct. To monitor this, John Deere will request documentation, conduct onsite audits, review and approve corrective action plans, and verify implementation of corrective action.]

**Second tier Suppliers:**

[http://www.deere.com/en\\_US/docs/Corporate/investor\\_relations/pdf/corporategovernance/suppliercodeofconduct\\_english.pdf](http://www.deere.com/en_US/docs/Corporate/investor_relations/pdf/corporategovernance/suppliercodeofconduct_english.pdf)

Suppliers are expected to share all requirements with their suppliers to be enforced as well.

**Miscellaneous:**

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/environmental\\_stewardship/operations/operations.page?](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/environmental_stewardship/operations/operations.page?)

Reviews all policies related to Operations, Facilities, and Suppliers with respect to expectations.

[http://www.deere.com/wps/dcom/en\\_US/corporate/our\\_company/citizenship/environmental\\_stewardship/products/products.page?%0A%09%09%20%09](http://www.deere.com/wps/dcom/en_US/corporate/our_company/citizenship/environmental_stewardship/products/products.page?%0A%09%09%20%09)

Reviews the products that John Deere offers with environment taken into consideration.

**Dow Jones Sustainability index:** No

**Newsweek green score:** 54.1 (ENVTL.IMPACT:54, ENVTL. MGMT: 52.5, DISCLOSURE: 61.4)

**Spend Management**

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	
2	Process Defined	
	Approved Vendor List	
	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	
	Supplier access to evaluation	
	Measures periodically updated	
5	Supplier Evaluation Process Defined, Documented and Used	Some information on supplier portal for evaluations for quality and part

		conformance, as well as requirements for order fulfillment
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

Some elements of a rating of 4 or 5 exist so give them a 3.

**FINAL RATING: 3**

**Strategic Sourcing**

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	List of Preferred Suppliers
	Has measures on single sourcing, dual sourcing etc	
3	Specifies policies for rationalizing products	
	Measures for determining optimal rationalization	
	Cross functional sourcing teams	
4	Tracking capacity of supplier and capacity being used.	
	Sourcing process incorporates rationalization	Discusses robust strategic sourcing process
5	Documented measures	Documentation on selecting suppliers and supplier requirements on supplier portal
	Continuous improvement	
	Information sharing on capacity demand across the organization.	
	Suppliers empowered to work with each other	
	Suppliers and customers join cross-functional teams	

**Rating**

The elements of 4 exist so give them a 4.

**FINAL RATING: 4**

**Category Management**

Rating	Indicator	Shown above
1	No market analysis	
	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	
3	Supply market goals in place	
	Whole supply chain involved	
	Very detailed documentation exists	
4	Prioritizing missing aspects	
	Documenting efforts of analysis	

	External contacts created.	Long-term contracts with preferred suppliers
5	Detailed understanding of spend vs other competitors	
	Established market intelligence	
	Future suppliers included in market analysis as well.	

**Rating**

Categories defined and preferred suppliers established for categories with long-term agreements

**FINAL RATING: 3**

**Supplier Relationship Management**

- Partnerships exist
- Offshore suppliers
- No legal issues with vendors
- Awards given
- Feedback mechanism (both ways)
- Supplier suggestion program in place.
- Supplier development plans in place

**Applying to Deere:**

Preferred suppliers with long term contracts exist; Awards given; No legal issues with vendors; Supplier Portal allows for communication and feedback, as well as training on supplier expectations with quality, order fulfillment, etc.; Still reduce rating by 1.

**Rating**

If all the above exist give them a 5, if no development or suggestion program in place give them a 4 etc

**FINAL RATING: 5**

**LHR**

<i>Indicator</i>	<i>Rating</i>	<i>Indicator</i>	<i>Rating</i>
Code of Conduct - Availability	4	Second Tier Suppliers	3
Code of Conduct - Penalties	2	Evaluation - Internal	3
Contracts	1	Evaluation - Independent	
Reporting - Internal	1	Tracking Mechanisms	
Reporting - Independent	1	Miscellaneous - Training Programs	4
Supplier Enforcement- Awareness	3	Miscellaneous - Community	
Supplier Enforcement - Code of Conduct	4	Lawsuits	
<b>OVERALL LHR RATING</b>			<b>3</b>

**Rating**

Average it out but the rating should not be higher than the code of conduct availability piece.

**FINAL RATING: 3**

**Sustainability**

**FINAL RATING: 3**

**Dover**



## **SRM Evaluation**

**Supplier Website:** N/A

### **Contacts:**

<http://www.dovercorporation.com/contact/index.html>

(2012: General contact information)

### **Summary:**

<http://www.dovercorporation.com/about/index.html>

Dover Corporation is a multi-billion dollar diversified global manufacturer. For over 50 years, Dover has been providing its customers with outstanding products and services in industrial technology that reflect the company's commitment to operational excellence, innovation and market leadership. The company focuses on innovative equipment and components, specialty systems and support services through its four major operating segments: Energy, Communication Technologies, Engineered Systems and Printing & Identification. Dover is headquartered in Downers Grove, Illinois and employs over 34,000 people worldwide. Dover Corporation is traded on the New York Stock Exchange under "DOV."

### **Partnership Guidelines:**

<http://www.dovercorporation.com/pdf/Dover-Supplier-Code-of-Conduct-10-24-11.pdf>

(2012: Suppliers' code of conduct)

**Lawsuits:** N/A

### **Best Practices:**

<http://www.dovercorporation.com/about/sustainability/blackmer/index.html>

(2012: Best practice in "Energy Management")

### **Vendor Recognition:**

Alliance Supplier Status

(2011: Artmark is awarded "Alliance Supplier Status by Dover Corporation")

### **Company Recognition:**

<http://www.docstoc.com/docs/82159642/US-Synthetic-Receives-World%E2%80%99s-Top-Manufacturing-Award-The-Shingo-Prize>

(2011: The Shingo Prize)

America's Top Companies, *Forbes*, 2009

Barron's 500, *Barron's*, 2009

<http://heinencreative.com/archives/press/american-graphic-design-award/>

(2010: Graphic Design USA awards)

### **Miscellaneous:**

<http://www.att.com/gen/press-room?pid=4800&cdvn=news&newsarticleid=30755>

(2010: Dover Corporation to Implement AT&T Services Across Organization)

[https://materials.proxyvote.com/Approved/260003/20110309/AR\\_81967/HTML2/dover\\_corporation-ar2010\\_0019.htm](https://materials.proxyvote.com/Approved/260003/20110309/AR_81967/HTML2/dover_corporation-ar2010_0019.htm)

(2010: Annual report)

## **LHR Evaluation**

### **Code of Conduct Evaluation:**

<http://www.dovercorporation.com/pdf/Dover-Supplier-Code-of-Conduct-10-24-11.pdf>

(2012: Suppliers' code of conduct)

Dover emphasizes suppliers to focus on the following items:

1. COMPLIANCE WITH LAWS AND REGULATIONS
2. CHILD LABOR AND FORCED LABOR
3. FREEDOM OF ASSOCIATION
4. DISCRIMINATION
5. FAIR TREATMENT

## 6. HEALTH AND SAFETY

<http://www.dovercorporation.com/pdf/dover-code-of-business-conduct-and-ethics.pdf>

(2012: Code of Business conduct and ethics)

Dover concentrates on these following items:

1. Workplace Acceptance
2. Diversity and Inclusion
3. Discrimination and Harassment
4. Fair Employment
5. Protecting Each Other's Personal Information
6. Safe and Healthy Work Environments

**Contracts Evaluation:** N/A

### **Supplier Monitoring/Evaluations:**

<http://www.dovercorporation.com/pdf/Dover-Supplier-Code-of-Conduct-10-24-11.pdf>

(2012: Suppliers' code of conduct)

#### MONITORING AND RECORD KEEPING

Supplier must maintain all documentation necessary to demonstrate its compliance with this Supplier Code and provide Dover with access to those documents upon Dover's request for review. Neither Dover nor any of its affiliates or authorized agents assumes any obligation or duty to monitor or ensure compliance with this Supplier Code. Supplier is solely responsible for compliance with this Supplier Code by its officers, directors, managers, employees, representatives and agents.

**Reporting:** N/A

**Second-tier suppliers:** N/A

### **Labor related lawsuits:**

<http://www.businessmanagementdaily.com/3147/prompt-action-by-management-is-key-to-winning-hostile-environment-lawsuits>

(2007: Karen Brown filed a race discrimination lawsuit, and threw in that she felt she had been subjected to a racially hostile environment. The basis for her claim was years old: the sudden appearance of a noose in the workplace, plus the discovery of some racially charged drawings in the bottom of a drawer. In each case, management acted immediately. The noose was removed as soon as managers found it, and they warned employees that anyone involved in such incidents would be fired immediately. Management also removed the drawings, followed by another stern warning. The Court of Appeals of Ohio dismissed the case, citing the employer's quick action. Employers cannot absolutely guarantee that an employee will never be subjected to offensive materials. But by acting right away, they can mitigate the damage. (*Brown v. Dover Corporation*, No. C-060123, Court of Appeals of Ohio, First Appellate District, 2007))

**Community Involvement:** N/A

**Tracking Mechanisms:** N/A

**Miscellaneous:** N/A

### **(2011)Environmental Sustainability Evaluation**

#### **Code of Conduct:**

<http://www.dovercorporation.com/pdf/Dover-Supplier-Code-of-Conduct-10-24-11.pdf>

(2012: Suppliers' code of conduct)

#### ENVIRONMENT

Supplier will comply with all applicable environmental laws, regulations and standards and minimize any adverse impact on the environment. Supplier must endeavor to conserve natural resources and energy, and reduce or eliminate waste and the use of hazardous substances.

<http://www.dovercorporation.com/pdf/dover-code-of-business-conduct-and-ethics.pdf>

(2012: Code of Business conduct and ethics)

## Environmental Sustainability

Part of being an ethical company means doing business responsibly in all parts of the world and protecting our global community. We must each do our part to uphold this commitment to our environment by complying with all applicable environmental rules and regulations and by working to reduce our carbon footprint. For additional information regarding Dover's commitment to the environment, review our SustainAbility initiative and report.

<http://www.dovercorporation.com/about/sustainability/index.html>

(2012: Dover's sustainability strategy)

Dover companies are committed to creating economic value for shareholders and customers through sustainable practices that protect the long term well-being of the environment. From greenhouse gas and waste reductions, to increased energy efficiency, Dover is striving to meet the global environmental needs of today and tomorrow. As a worldwide, diversified manufacturer of industrial products, we are ideally positioned to make a positive difference on a large scale. We are continuously developing new and innovative products that deliver compelling green benefits. By utilizing Dover solutions, our customers not only realize cost savings, but also take important steps towards fulfilling their own goals of social and environmental responsibility.

**Contracts: N/A**

**Training Programs: N/A**

### Reports:

<http://www.dovercorporation.com/about/sustainability/index.html>

(2012: Dover's sustainability strategy)

In 2010, Dover made significant strides in assessing our greenhouse gas emissions. In mid-2010, we launched our SustainAbility Metrics Tool to collect the information needed to create an inventory of our greenhouse gas emissions from our operating companies. The greenhouse gas inventory includes emissions from the following sources that are owned or wholly-operated by Dover operating companies:

- Purchased energy
- Stationary combustion
- Mobile sources
- Refrigerant losses

Using this information, we also assessed our energy usage, along with our greenhouse gas emissions, to arrive at our 2010 footprint.

**Lawsuits: N/A**

**Evaluation: N/A**

**Tracking mechanisms: N/A**

**Supplier Enforcements: N/A**

**Second tier Suppliers: N/A**

**Dow Jones Sustainability index: Yes**

**Newsweek green score: 55.2**

### Miscellaneous:

<http://phx.corporate-ir.net/phoenix.zhtml?c=85517&p=irol-newsArticle&ID=1279805&highlight%252>

(2009: Hill PHOENIX Receives 2009 EPA Ozone Layer Protection Award)

### Spend Management

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	
2	Process Defined	
	Approved Vendor List	

	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal in each integrated company's website.
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	(Information only) There is the spend management process.
	Supplier access to evaluation	
	Measures periodically updated	
5	Supplier Evaluation Process Defined, Documented and Used	
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

Even though there is some information, the company will be rated 3 because there is limited information.

**FINAL RATING: 3**

Strategic Sourcing

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	
	Has measures on single sourcing, dual sourcing etc	
	Specifies policies for rationalizing products	
3	Measures for determining optimal rationalization	There is some information about the measurement.
	Cross functional sourcing teams	
	Tracking capacity of supplier and capacity being used.	
4	Sourcing process incorporates rationalization	Talking about some sourcing strategies.
	Documented measures	
5	Continuous improvement	Has some information about continuous improvement.
	Information sharing on capacity demand across the organization.	
	Suppliers empowered to work with each other	
	Suppliers and customers join cross-functional teams	

**Rating**

Not all elements of 5 exists, give them a 4.

**FINAL RATING: 4**

Category Management

Rating	Indicator	Shown above
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1	No market analysis	
	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	
3	Supply market goals in place	Focus on market goals
	Whole supply chain involved	Integrated the whole system
	Very detailed documentation exists	
4	Prioritizing missing aspects	
	Documenting efforts of analysis	Talk about analyzing about its subsidiary management
	External contacts created.	
5	Detailed understanding of spend vs other competitors	Some information about comparing its company with competitors
	Established market intelligence	
	Future suppliers included in market analysis as well.	

**Rating**

Not have much information.

**FINAL RATING: 3**

**Supplier Relationship Management**

Partnerships exist  
Offshore suppliers  
No legal issues with vendors  
Awards given  
Feedback mechanism (both ways)  
Supplier suggestion program in place.  
Supplier development plans in place

**Applying to Dover:**

Awards given, partnerships exist, acquisition and innovation, not much information about suggestion and development programs in place. No lawsuit with supplier. Not really mention that suppliers considered key in growth and openly stated.

**Rating**

If all the above exist give them a 5, if no development or suggestion program in place give them a 4 etc etc

**FINAL RATING: 4**

**LHR**

<b>Indicator</b>	<b>Rating</b>	<b>Indicator</b>	<b>Rating</b>
Code of Conduct - Availability	5	Second Tier Suppliers	2
Code of Conduct - Penalties	3	Evaluation – Internal	3
Contracts	3	Evaluation – Independent	
Reporting – Internal	4	Tracking Mechanisms	4
Reporting - Independent	4	Miscellaneous – Training Programs	3
Supplier Enforcement-Awareness	3	Miscellaneous – Community	1
Supplier Enforcement – Code of Conduct	5	Lawsuits	3
<b>OVERALL LHR RATING</b>			<b>3</b>

### **Rating**

Not much information about internal reporting and supplier enforcement awareness. No evidence about Community. There is a lawsuit with its employee.

**FINAL RATING: 3**

## **EATON CORP**

### **SRM Evaluation**

#### **Supplier Website:**

<http://www.eaton.com/EatonCom/OurCompany/DoingBusiness/SellingtoUs/index.htm>

<https://suppliersselect.eaton.com/pbs/cmd/brainSupplierSelect>

(2012: Eaton supplier select website)

**Contacts: NA**

#### **Summary:**

Eaton Corporation is a diversified power management company with 2010 sales of \$13.7 billion. Eaton is a global technology leader in electrical components and systems for power quality, distribution and control; hydraulics components, systems and services for industrial and mobile equipment; aerospace fuel, hydraulics and pneumatic systems for commercial and military use; and truck and automotive drivetrain and powertrain systems for performance, fuel economy and safety. Eaton has approximately 75,000 employees and sells products to customers in more than 150 countries.

#### **Partnership Guidelines:**

Eaton works with suppliers who deliver the best quality, value and service at the most competitive cost. Our suppliers are innovative and dedicated to driving continuous improvement in their operations. Together we address all aspects of cost reduction, waste elimination and efficiency improvement in a dynamic global environment.

<http://www.eaton.com/EatonCom/OurCompany/DoingBusiness/SellingtoUs/index.htm>

[http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct\\_255384.pdf](http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct_255384.pdf)

(2012: Supplier Excellence Manual, including supplier code of conduct, supplier responsibilities, etc)

#### **Lawsuits: \***

There are at least 2 lawsuits about patent infringement, unable to determine if case has been settled.

#### **Best Practices:**

(**Worldwide Interactive Supplier Performance Evaluation Resource = WISPER**) This application features a Web-based, centralized database that captures Eaton's worldwide supplier activities. Eaton and its suppliers will mutually benefit from WISPER with streamlined communication and shared information. Suppliers will have the ability to showcase their capabilities and benchmark their competition across 160 Eaton plants worldwide.

[http://www1.eaton.com/suppliers/online\\_application.html](http://www1.eaton.com/suppliers/online_application.html)

(2011: This site is no more available)

[http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct\\_252919.pdf](http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct_252919.pdf)

(2012: WISPER Overview presentation)

<http://www.eaton.com/Eaton/OurCompany/DoingBusiness/SellingtoUs/SupplierRegistration/WISPERRegistration/index.htm?wtredirect=www.eaton.com/WISPER>

Business divided into four main categories: automotive, fluid, electrical, and truck

Eaton Supplier Excellence Manual

[http://www1.eaton.com/suppliers/quality\\_manual/SupplierExcellenceManual.pdf](http://www1.eaton.com/suppliers/quality_manual/SupplierExcellenceManual.pdf)

Outlines supply chain model, supplier expectations, supplier assessment & qualification, logistics, continuous improvement, process for continuous improvement, LHR, etc.

Supplier Diversity Program

<http://www.eaton.com/EatonCom/OurCompany/DoingBusiness/SellingtoUs/SupplierDiversity/index.htm>

EDI

<http://www.eaton.com/EatonCom/OurCompany/DoingBusiness/SellingtoUs/ElectronicDataInterchangeEDI/index.htm>

**Vendor Recognition:**

Motion Industries has earned a 2007 premier supplier award from Eaton Corp. The distributor was one of 42 suppliers to receive the award based on differentiated performance and superior productivity.

Koyo Corporation received the Eaton Premier Supplier Award and the Prestigious Eaton Corporation's "Supplier Excellence Award" as a result of its top Performance in Quality, Productivity and Technical Innovation during FY 2005.

Bartech Group: Talent Solutions received: 2006 Eaton Corporation Premier Supplier Award and 2006 Eaton Corporation PEAK Award

Diversified industrial manufacturer **Eaton Corp.** of Cleveland honored premier suppliers at its third Supplier Awards Program. The event recognized 42 of its best suppliers, from which eight were chosen to receive top honors as the company's Supplier Excellence Award winners. "This recognition is not the result of a one-time event," said Richard Holder, vice president, Eaton Business System. "These suppliers have shown consistently that they are committed to delivering excellence. Of the thousands of Eaton suppliers around the world these are the best in terms of quality, productivity, innovation and technology."

[http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct\\_255384.pdf](http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct_255384.pdf)  
(2012 : Supplier Excellence Award on page 11)

**Company Recognition:**

Eaton won Purchasing's Medal of Professional Excellence in 2007.

Eaton recognized by Honda as only "triple award" winner for outstanding quality, delivery and corporate citizenship

Best Supplier Award for Outstanding Efforts from JCB India Ltd. T

**Miscellaneous:** Hitachi Awarded Order from Eaton Corporation for Commercial Vehicle Hybrid System  
Eaton Corporation awarded over \$1 billion in contracts to Suppliers around the globe.

**LHR Evaluation**

**Code of Conduct Evaluation:**

Eaton Supplier's Code of Conduct

<http://www.eaton.com/EatonCom/OurCompany/DoingBusiness/SellingtoUs/CodeofSupplierConduct/98064978>

**Contracts Evaluation: NA**

**Supplier Monitoring/Evaluations: NA**

**Reports: NA**

**Labor related lawsuits: NA**

**Tracking Mechanisms:**

"Around the globe, we improve the communities in which we live and work through contributions to education, the arts, museums, social service organizations and hands-on employee volunteerism. By setting high standards of involvement and leadership, each chairman has left an indelible imprint on the company's record of social and civic involvement."

<http://www.eaton.com/EatonCom/Sustainability/SustainablePractices/Community/SocialCommitment/index.htm>

**Miscellaneous:**

Involved in UN Global Compact

<http://www.business-humanrights.org/Categories/Individualcompanies/E/Eaton>

[PDF] [Full list of Cro's 100 Best Corporate Citizens 2008](#)

CRO Magazine 20 Feb 2008

[Top five placed companies: Intel, Eaton, Nike, John Deere, Genentech]

[http://investing.businessweek.com/research/stocks/news/article.asp?docKey=600-201201310342KRTRIB\\_BUSNEWS\\_10589\\_7247-1&params=timestamp||01/31/2012%203:42%20AM%20ET||headline||Eaton%20Corp.%20closes%20Memphis%20distribution%20center%2C%20eliminates%2047%20jobs%20%5BThe%20Commercial%20Appeal%2C%20Memphis%2C%20Tenn.%5D||docSource||Knight%20Ridder/Tribune||provider||ACQUIREMEDIA||realtedsyms||%7CUS%3BETN&ticker=ETN:US](http://investing.businessweek.com/research/stocks/news/article.asp?docKey=600-201201310342KRTRIB_BUSNEWS_10589_7247-1&params=timestamp||01/31/2012%203:42%20AM%20ET||headline||Eaton%20Corp.%20closes%20Memphis%20distribution%20center%2C%20eliminates%2047%20jobs%20%5BThe%20Commercial%20Appeal%2C%20Memphis%2C%20Tenn.%5D||docSource||Knight%20Ridder/Tribune||provider||ACQUIREMEDIA||realtedsyms||%7CUS%3BETN&ticker=ETN:US)

[201201310342KRTRIB\\_BUSNEWS\\_10589\\_7247-1&params=timestamp||01/31/2012%203:42%20AM%20ET||headline||Eaton%20Corp.%20closes%20Memphis%20distribution%20center%2C%20eliminates%2047%20jobs%20%5BThe%20Commercial%20Appeal%2C%20Memphis%2C%20Tenn.%5D||docSource||Knight%20Ridder/Tribune||provider||ACQUIREMEDIA||realtedsyms||%7CUS%3BETN&ticker=ETN:US](http://investing.businessweek.com/research/stocks/news/article.asp?docKey=600-201201310342KRTRIB_BUSNEWS_10589_7247-1&params=timestamp||01/31/2012%203:42%20AM%20ET||headline||Eaton%20Corp.%20closes%20Memphis%20distribution%20center%2C%20eliminates%2047%20jobs%20%5BThe%20Commercial%20Appeal%2C%20Memphis%2C%20Tenn.%5D||docSource||Knight%20Ridder/Tribune||provider||ACQUIREMEDIA||realtedsyms||%7CUS%3BETN&ticker=ETN:US)

(2012 : Eaton Corp. closes Memphis distribution center, eliminates 47 jobs)

**Environmental Sustainability Evaluation**

**Code of Conduct:**

No formal code but many initiatives and projects in place:

<http://www.eaton.com/EatonCom/Sustainability/SustainablePractices/EnvironmentHealthSafety/index.html>

**Contracts:**

(2011:Eaton wins contract to improve performance of Army's multiple launch rocket system)

<http://www.eaton.com/Eaton/OurCompany/NewsEvents/NewsReleases/98065935>

**Training Programs: NA**

**Reports:**

<http://www.eatonsite.com/eatonar10/index.html>

(2012: Eaton's annual report 2010)

In this report, it talks about 100 reasons why Eaton Power Management Solutions will help shape the next century. Also, it provides the sustainability scorecard report.

**Lawsuits: None**

**Evaluation: NA**

**Tracking mechanisms: NA**

**Supplier Enforcements: NA**

**Second tier Suppliers: None**

**Dow Jones Sustainability index: Yes**

**Newsweek green score: 90.54**

**Miscellaneous:**

Named one of the World's Most Ethical Companies

Eaton goes above and beyond taking responsibility to protect the environment by asking our suppliers to do the same. Eaton is collaborating with packaging companies such as Kite and Pratt, who have positive environmental track records, to ensure that it is meeting environmental sustainability requirements. Eaton grades its packaging suppliers and requires environmental scorecards to verify that it is working with the most environmentally-friendly suppliers around the world. Eaton is ensuring that its suppliers are delivering packages from sustainable sources, through the enforcement of rigorous criteria outlined in detail in the corporate guidelines for packaging. For example, Eaton requires its suppliers use paper based packaging materials that are easily recycled and procured



from forests that are managed in an ecologically sound and sustainable manner. This collaboration is reinforcing Eaton's industry leadership in sustainability.

(2011:Eaton participates in the Dow Jones Sustainability Index (DJSI), one of the world's leading indicators for corporate responsibility. The DJSI defines Corporate Sustainability as "a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments)  
<http://www.eaton.com/Eaton/Sustainability/AccountabilityTransparency/DowJonesSustainabilityIndex/index.htm>

2011:NEWSWEEK's 2010 Green Rankings is a data-driven assessment of the largest companies in the U.S. and in the world. Our goal was to cut through the green chatter and quantify the actual environmental footprints, policies, and reputations of these big businesses  
<http://www.newsweek.com/feature/2010/green-rankings.html>

[http://investing.businessweek.com/research/stocks/news/article.asp?docKey=600-201201190800BIZWIRE\\_USPRX\\_BW5751-1&params=timestamp||01/19/2012%20:00%20AM%20ET||headline||Eaton%20Opens%20New%20Global%20Innovation%20Center%20to%20Drive%20Development%20of%20Energy-Efficient%20Power%20Systems||docSource||Business%20Wire||provider||ACQUIREMEDIA||realtedsyms||%7CUS%3BETN&ticker=ETN:US](http://investing.businessweek.com/research/stocks/news/article.asp?docKey=600-201201190800BIZWIRE_USPRX_BW5751-1&params=timestamp||01/19/2012%20:00%20AM%20ET||headline||Eaton%20Opens%20New%20Global%20Innovation%20Center%20to%20Drive%20Development%20of%20Energy-Efficient%20Power%20Systems||docSource||Business%20Wire||provider||ACQUIREMEDIA||realtedsyms||%7CUS%3BETN&ticker=ETN:US)  
 (2012: Eaton Opens New Global Innovation Center to Drive Development of Energy-Efficient Power Systems)

**Spend Management**

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	
2	Process Defined	
	Approved Vendor List	
	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	
	Supplier access to evaluation	Clear information about evaluation
5	Measures periodically updated	
	Supplier Evaluation Process Defined, Documented and Used	Evaluation process defined and documented
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

Much information about spend management and supplier management. However, do not have much information on how the supplier's performance reflects on allocation.

**FINAL RATING: 4**

Strategic Sourcing

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	
	Has measures on single sourcing, dual sourcing etc	
	Specifies policies for rationalizing products	
3	Measures for determining optimal rationalization	
	Cross functional sourcing teams	
	Tracking capacity of supplier and capacity being used.	
4	Sourcing process incorporates rationalization	Provide some information about sourcing processes
	Documented measures	documented strategic sourcing process,
5	Continuous improvement	Strong focus on continuous improvement
	Information sharing on capacity demand across the organization.	Has information on capacity and demand
	Suppliers empowered to work with each other	
	Suppliers and customers join cross-functional teams	

**Rating**

Much information about sourcing and supplier evaluation. But do not have information about how to collaborate with others. Not all elements of 5 exists, give them a 4.

**FINAL RATING: 4**

Category Management

Rating	Indicator	Shown above
1	No market analysis	
	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	
3	Supply market goals in place	
	Whole supply chain involved	Focus on integrating whole supply chain system
	Very detailed documentation exists	Many documents about its products and performance
4	Prioritizing missing aspects	
	Documenting efforts of analysis	Much analysis information
	External contacts created.	
5	Detailed understanding of spend vs other competitors	
	Established market intelligence	Using market intelligence
	Future suppliers included in market analysis as well.	

**Rating**

Much information for this category.

**FINAL RATING: 4**

**Supplier Relationship Management**

Partnerships exist  
 Offshore suppliers  
 No legal issues with vendors  
 Awards given  
 Feedback mechanism (both ways)  
 Supplier suggestion program in place.  
 Supplier development plans in place

**Applying to Eaton :**

Awards given, partnerships exist ( see notes under vendor recognition), innovation , suggestion and development programs in place. Two lawsuit. Still reduce rating by 1. Suppliers considered key in growth and openly stated.

**Rating**

If all the above exist give them a 5, if no development or suggestion program in place give them a 4 etc etc

**FINAL RATING: 4**

**LHR**

<i>Indicator</i>	<i>Rating</i>	<i>Indicator</i>	<i>Rating</i>
Code of Conduct - Availability	5	Second Tier Suppliers	4
Code of Conduct - Penalties	4	Evaluation – Internal	5
Contracts	3	Evaluation – Independent	
Reporting – Internal	3	Tracking Mechanisms	4
Reporting - Independent		Miscellaneous – Training Programs	4
Supplier Enforcement-Awareness	4	Miscellaneous – Community	4
Supplier Enforcement – Code of Conduct	5	Lawsuits	2
<b>OVERALL LHR RATING</b>			<b>4</b>

**Rating**

Average the total score.

**FINAL RATING: 4**

## General Motors Company (Formerly General Motors Corporation)

**SRM Evaluation****Supplier Website:**

<https://gmsupplypower.covisint.com/web/portal/home>

The supplier portal of GM Corp

<https://www.autopartners.net/apps/gcportal/login.html>

Another private communication channel for GM Suppliers

## **Contacts**

[https://portal.covisint.com/web/supportauto/gmsp\\_migration\\_help](https://portal.covisint.com/web/supportauto/gmsp_migration_help)

The contact info for various countries

## **Summary**

[http://en.wikipedia.org/wiki/General\\_Motors](http://en.wikipedia.org/wiki/General_Motors)

General Motors Company (commonly known as General Motors or GM) (NYSE: GM, TSX: GMM.U) is an American multinational automotive corporation headquartered in Detroit, Michigan and the world's second-largest automaker (after Toyota). The old General Motors Corporation was founded in 1908 and was reestablished as of July 10, 2009.

## **Partnership Guidelines:**

[http://www.gm.com/toolbar/dealers\\_suppliers.html#/GM\\_Marketplace](http://www.gm.com/toolbar/dealers_suppliers.html#/GM_Marketplace)

GM Marketplace is for vendors who are interested in offering GM employees and retirees discounts on their products. This site does not handle requests for inclusion on GM's preferred supplier listing. If you are interested in becoming a GM Marketplace vendor, please review our Terms and Conditions.

## **Lawsuits:**

<http://www.supplymanagement.com/news/2009/gm-lawsuit-with-former-supplier-of-the-year/v>

**Automotive firm General Motors has taken legal action against a former "supplier of the year" that has gone out of business.**

[http://goliath.ecnext.com/coms2/gi\\_0199-4967772/High-steel-price-spurs-supplier.html](http://goliath.ecnext.com/coms2/gi_0199-4967772/High-steel-price-spurs-supplier.html)

High steel prices have spurred a legal fight between General Motors Corp. and steel and aluminum wheel supplier Topy Corp., Frankfort, Ky., which is threatening to halt deliveries to the Detroit-based automaker.

## **Best Practices:**

<http://www.dataspace.com/Downloads/gm.pdf>

General Motors Best Practices Case Study

[http://www.gmupfitter.com/best\\_practice\\_manuals.html](http://www.gmupfitter.com/best_practice_manuals.html)

GM best practice manual

## **Vendor Recognition:**

[https://gmsupplypower.covisint.com/web/portal/executive-corner?p\\_p\\_id=101\\_INSTANCE\\_Ks5n&p\\_p\\_lifecycle=0&p\\_p\\_state=normal&p\\_p\\_mode=view&p\\_p\\_col\\_id=column-1&p\\_p\\_col\\_count=1&\\_101\\_INSTANCE\\_Ks5n\\_struts\\_action=%2Fasset\\_publisher%2Fview\\_content&\\_101\\_INSTANCE\\_Ks5n\\_redirect=%2Fweb%2Fportal%2Fexecutive-corner&\\_101\\_INSTANCE\\_Ks5n\\_assetId=5806465](https://gmsupplypower.covisint.com/web/portal/executive-corner?p_p_id=101_INSTANCE_Ks5n&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=column-1&p_p_col_count=1&_101_INSTANCE_Ks5n_struts_action=%2Fasset_publisher%2Fview_content&_101_INSTANCE_Ks5n_redirect=%2Fweb%2Fportal%2Fexecutive-corner&_101_INSTANCE_Ks5n_assetId=5806465)

2010 Supplier of the Year Awards

This is GM's annual opportunity to say thank you by honoring our top performing world class suppliers for 2010.

[http://media.gm.com/content/media/us/en/gm/news.detail.html/content/Pages/news/us/en/2011/Mar/0311\\_soy](http://media.gm.com/content/media/us/en/gm/news.detail.html/content/Pages/news/us/en/2011/Mar/0311_soy)

General Motors recognized 82 of its best global automotive suppliers Thursday evening with its Supplier of the Year award during the 19th annual awards presentation held at the GM Renaissance Center.

<http://gm-moe.awardsource.net/>

The various awards and the corresponding categories given out by GM Corp

## **Company Recognition:**

[http://media.gm.com/content/media/in/en/news.brand\\_chevrolet.html/AP/IN/NewsTab/Awards](http://media.gm.com/content/media/in/en/news.brand_chevrolet.html/AP/IN/NewsTab/Awards)

General Motors India is conferred with the 'Automobile Manufacturer of the year 2010' award by The Golden Steering Wheel

[http://www.chevrolet.co.in/content\\_data/AP/IN/en/GBP/001/awards-gm.html](http://www.chevrolet.co.in/content_data/AP/IN/en/GBP/001/awards-gm.html)

**GM India bags the popular NDTV Profit Car & Bike India Awards 2011**

## **Miscellaneous:**

[http://www.gm.com/content/gmcom/home/toolbar/dealers\\_suppliers.html#/GM\\_Supplier\\_Diversity](http://www.gm.com/content/gmcom/home/toolbar/dealers_suppliers.html#/GM_Supplier_Diversity)  
Partner with GM as a Minority or Woman-Owned Supplier and learn the benefits of working with one of the automotive industry's market leaders.

[https://gmsupplypower.covisint.com/c/document\\_library/get\\_file?uuid=75305878-865d-46f8-bf4e-05a5a08725a5&groupId=3978989](https://gmsupplypower.covisint.com/c/document_library/get_file?uuid=75305878-865d-46f8-bf4e-05a5a08725a5&groupId=3978989)

Detailed explanation regarding the steps to register as a supplier for GM Corp

[https://gmsupplypower.covisint.com/c/document\\_library/get\\_file?uuid=561c0d29-6097-4241-8378-44d62b3e1443&groupId=3978966](https://gmsupplypower.covisint.com/c/document_library/get_file?uuid=561c0d29-6097-4241-8378-44d62b3e1443&groupId=3978966)

Frequently Asked Questions (FAQ) for Suppliers

#### **LHR Evaluation**

**Code of Conduct Evaluation: NA**

**Contracts Evaluation: NA**

#### **Supplier Monitoring/Evaluations:**

[http://www.gm-avtovaz.ru/files/treb\\_ru/GP-10\\_EVALUATION\\_AND\\_ACCREDITATION\\_OF\\_SUPPLIER\\_TEST\\_FACILITIES.pdf](http://www.gm-avtovaz.ru/files/treb_ru/GP-10_EVALUATION_AND_ACCREDITATION_OF_SUPPLIER_TEST_FACILITIES.pdf)

[Page 1] General Motors procedure for "Evaluation and Accreditation of Supplier Test Facilities, provides uniform requirements for a supplier to obtain materials test facility accreditation.

**Labor related lawsuits: NA**

#### **Community Involvement:**

[http://prod.gm.gmgssm.com/corporate/responsibility/community/community\\_message.jsp](http://prod.gm.gmgssm.com/corporate/responsibility/community/community_message.jsp)

While our largest and perhaps most direct community economic impact results from decisions about plant locations, employment levels and suppliers, we also address the health and vitality of global communities through financial contributions, in-kind donations and volunteer initiatives. With operations in more than 200 countries on six continents, GM invests in projects dedicated to improving health, safety and education, and to addressing needs for innovation and technology.

**Tracking Mechanisms: NA**

#### **Miscellaneous:**

[http://www.iaob.org/pdfs/FINAL\\_GMCustomerSpecifics\\_Sept2007.pdf](http://www.iaob.org/pdfs/FINAL_GMCustomerSpecifics_Sept2007.pdf)

Detailed global purchasing and supply chain global supplier quality documentation.

<http://gm.acctmanual.com/whnjs.htm>

General Motors Dealer Standard Accounting Manual and Handbook

#### **Environmental Sustainability Evaluation:**

**Code of Conduct:**

<http://www.gm.com/vision/environment1.html>

At General Motors we strive to make our facilities more environmentally-friendly - from things like building design and maintenance of wildlife habitats on our property, to clean-up and redevelopment of Brownfield sites.

[http://articles.latimes.com/1994-02-04/business/fi-19064\\_1\\_ceres-principles](http://articles.latimes.com/1994-02-04/business/fi-19064_1_ceres-principles)

GM Signs On to Environmental Code of Conduct: Policy: Proponents of the Ceres Principles praise the pact

**Contracts: NA**

#### **Training Programs:**

[http://www.covisint.com/robohelp/supp\\_conn\\_suppliers/MGOSupRefGuide\\_GM\\_Global\\_v3.pdf](http://www.covisint.com/robohelp/supp_conn_suppliers/MGOSupRefGuide_GM_Global_v3.pdf)

Manual for suppliers including access to the *Supplier Connection training* page

**Reports:**

<http://investor.gm.com/stockholder-information/>  
GM's annual reports

**Lawsuits:**

[http://www.ctv.ca/CTVNews/Canada/20060425/gm\\_suit\\_060425/](http://www.ctv.ca/CTVNews/Canada/20060425/gm_suit_060425/)  
General Motors faces a possible class-action lawsuit over allegedly defective intake manifold gaskets in 400,000 cars in Canada -- a claim which lawyers say might total \$1.2 billion.

**Evaluation:**

<http://www.pprc.org/pubs/grnchain/casestud.cfm>  
[General Motors Sets New Level of Environmental Performance for Suppliers](#)

**Tracking mechanisms: NA**

**Supplier Enforcements:**

[https://gmsupplypower.covisint.com/web/portal/updates-list?p\\_p\\_id=101\\_INSTANCE\\_VUv4&p\\_p\\_lifecycle=0&p\\_p\\_state=normal&p\\_p\\_mode=view&p\\_p\\_col\\_id=column-1&p\\_p\\_col\\_count=1&\\_101\\_INSTANCE\\_VUv4\\_struts\\_action=%2Fasset\\_publisher%2Fview\\_content&\\_101\\_INSTANCE\\_VUv4\\_redirect=%2Fweb%2Fportal%2Fupdates-list&\\_101\\_INSTANCE\\_VUv4\\_assetId=6074937](https://gmsupplypower.covisint.com/web/portal/updates-list?p_p_id=101_INSTANCE_VUv4&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=column-1&p_p_col_count=1&_101_INSTANCE_VUv4_struts_action=%2Fasset_publisher%2Fview_content&_101_INSTANCE_VUv4_redirect=%2Fweb%2Fportal%2Fupdates-list&_101_INSTANCE_VUv4_assetId=6074937)  
EPA legislation and a need for visibility into an organization's carbon footprint have prompted automotive OEMs and other companies to collect Greenhouse Gas (GHG) emissions information from their suppliers.

**Second tier Suppliers: NA**

**Miscellaneous:**

[http://www.gm.com/vision/environment1/sustainable\\_manufacturing.html](http://www.gm.com/vision/environment1/sustainable_manufacturing.html)  
Our [environmental principles](#) form the foundation for our manufacturing practices and each of our facilities tracks and reports its annual performance on energy use, water use, greenhouse gas emissions and waste. Our commitment to improvement and the innovative practices we've employed have helped us to make great strides in these areas.

<http://www.wec.org/Members/gdavidow/06-2010%20WEC%20Presentation%20on%20SGM%20Project%20Results.pdf>

Through SGM's "Drive to Green" initiative, promote sustainable development throughout SGM's national supply chain by working with suppliers to reduce the environmental impact of their manufacturing processes by:

- Reducing water, raw material and energy consumption
- Generating less waste and pollution
- Increasing efficiencies, savings and competitive advantages.

## Honda Motor Company

**SRM Evaluation**

**Supplier Website:**

<http://www.hondasupplyteam.com/wps/portal>

[http://corporate.honda.com/america/diversity.aspx?id=diversity\\_supplier](http://corporate.honda.com/america/diversity.aspx?id=diversity_supplier)

**Contacts**

Toll-free number: 1-800-999-1009

For supplier relations see contacts at

[http://www.hondasupplyteam.com/j\\_pstat/html/honda\\_howto\\_supplier.htm#ContactHonda](http://www.hondasupplyteam.com/j_pstat/html/honda_howto_supplier.htm#ContactHonda)

#### **Summary**

<http://en.wikipedia.org/wiki/Honda>

**Honda Motor Company, Ltd.** is a Japanese public multinational corporation primarily known as a manufacturer of automobiles and motorcycles.

Honda has been the world's largest motorcycle manufacturer since 1959,[3][4] as well as the world's largest manufacturer of internal combustion engines measured by volume, producing more than 14 million internal combustion engines each year.[5] Honda surpassed Nissan in 2001 to become the second-largest Japanese automobile manufacturer.[6][7] As of August 2008, Honda surpassed Chrysler as the fourth largest automobile manufacturer in the United States.[8] Honda is the sixth largest automobile manufacturer in the world.

#### **Partnership Guidelines:**

[http://www.hondasupplyteam.com/j\\_pstat/html/honda\\_howto\\_supplier.htm#PurchasingPolicy](http://www.hondasupplyteam.com/j_pstat/html/honda_howto_supplier.htm#PurchasingPolicy)

Because of the established international nature of the purchasing function, Honda is committed to maintain free trade, treating all suppliers equally regardless of size, location, or national origin.

From this international environment, Honda has developed and maintains a basic purchasing policy that can be described using the following principle:

Honda will buy from the most competitive suppliers in order to fulfill customer satisfaction.

#### **Lawsuits:**

<http://www.thestreet.com/story/11271623/1/hagens-berman-files-class-action-lawsuit-on-behalf-of-honda-and-toyota-car-owners.html>

Yesterday Hagens Berman filed a class action lawsuit on behalf of a group of Honda (NYSE: HMC) and Toyota (NYSE: TM) automobile owners against eight auto-part suppliers after the federal government released information detailing an international price-fixing scheme that may have cost American purchasers and lessees of a wide range of cars millions of dollars in the form of inflated car prices over a 10-year period.

#### **Best Practices:**

#### **Vendor Recognition:**

<http://www.prnewswire.com/news-releases/indiana-based-stratosphere-quality-receives-hondas-2011-mro-supplier-of-the-year-award-127725348.html>

Indiana-based, Stratosphere Quality, Receives Honda's 2011 MRO Supplier of the Year Award

#### **Company Recognition:**

<http://www.prnewswire.com/news-releases/toyota-back-in-1st-place-honda-drops-to-2nd-ford-maintains-3rd-while-gm-and-chrysler-continue-to-improve-in-annual-automaker-supplier-working-relations-rankings-122435193.html>

Toyota Back in 1st Place, Honda Drops to 2nd, Ford Maintains 3rd, While GM and Chrysler Continue to Improve in Annual Automaker-Supplier Working Relations Rankings

**Miscellaneous: NA**

#### **LHR Evaluation**

**Code of Conduct Evaluation: NA**

**Contracts Evaluation: NA**

**Supplier Monitoring/Evaluations: NA**

**Labor related lawsuits: NA**

#### **Community Involvement:**

[http://corporate.honda.com/america/philanthropy.aspx?id=community\\_involvement](http://corporate.honda.com/america/philanthropy.aspx?id=community_involvement)

**Tracking Mechanisms: NA**

**Miscellaneous:**

<http://www.nytimes.com/2010/06/17/business/global/17strike.html?pagewanted=all>

The 1,700 workers who went on strike at the Honda Lock auto parts factory here are mostly poor migrants with middle-school educations. But they are surprisingly tech-savvy.

<http://labornotes.org/2010/12/honda-workers-mexico-face-repression-firings>

Honda Workers in Mexico Face Repression, Firings

**Environmental Sustainability Evaluation:**

**Code of Conduct:**

<http://world.honda.com/conductguideline/>

Honda Conduct Guideline (internal)

<http://world.honda.com/CSR/partner/>

Honda Fundamental Approach to Suppliers

<http://world.honda.com/environment/policies/statement.html>

Honda Environmental Statement

**Contracts: NA**

**Training Programs: NA**

**Reports:**

<http://world.honda.com/CSR/report/>

**2011 Honda Corporate Social Responsibility Report**

[http://world.honda.com/environment/report/download/2011/2011\\_report\\_E\\_18.pdf](http://world.honda.com/environment/report/download/2011/2011_report_E_18.pdf)

**2011 Honda Environmental Report**

**Lawsuits: NA**

**Evaluation: NA**

**Tracking mechanisms:**

<http://wardsauto.com/news-amp-analysis/honda-patents-supplier-monitoring-system>

**Supplier Enforcements: NA**

**Second tier Suppliers: NA**

**Miscellaneous:**

<http://www.environmentalleader.com/2011/01/19/honda-rolls-out-global-supply-chain-guidelines/>

Honda is expanding its environmental purchasing guidelines to cover all its suppliers around the world, the company has announced.

<http://world.honda.com/news/2011/c110113Green-Purchasing-Guidelines/?r=r>

<http://www.environmentalleader.com/2010/10/08/honda-retains-greenest-automaker-title-in-ucs-rankings/>

**Spend Management**

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	



2	Process Defined	
	Approved Vendor List	
	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	
	Supplier access to evaluation	
	Measures periodically updated	
5	Supplier Evaluation Process Defined, Documented and Used	supplier portal discusses quality evaluations as a component of the supplier expectations
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

**FINAL RATING: 4**

**Strategic Sourcing**

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	List of Preferred Suppliers
	Has measures on single sourcing, dual sourcing etc	
	Specifies policies for rationalizing products	
3	Measures for determining optimal rationalization	
	Cross functional sourcing teams	Exist within the Honda team
	Tracking capacity of supplier and capacity being used.	
4	Sourcing process incorporates rationalization	
	Documented measures	Supplier requirements listed on supplier portal
5	Continuous improvement	Listed as a core objective
	Information sharing on capacity demand across the organization.	
	Suppliers empowered to work with each other	
	Suppliers and customers join cross-functional teams	Guest Engineer program

**Rating**

**FINAL RATING: 4**

**Category Management**

Rating	Indicator	Shown above
1	No market analysis	

	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	
3	Supply market goals in place	
	Whole supply chain involved	
	Very detailed documentation exists	
4	Prioritizing missing aspects	
	Documenting efforts of analysis	
	External contacts created.	Long-term contracts with preferred suppliers
5	Detailed understanding of spend vs other competitors	Very spend conscious and continually pushing suppliers to be conscious of the same
	Established market intelligence	
	Future suppliers included in market analysis as well.	

**Rating**

**FINAL RATING: 4**

**Supplier Relationship Management**

- Partnerships exist
- Offshore suppliers
- No legal issues with vendors
- Awards given
- Feedback mechanism (both ways)
- Supplier suggestion program in place.
- Supplier development plans in place

**Applying to Honda:**

Preferred suppliers with long term contracts exist; Awards given; Honda has a reputation for being a tough customer that can be hard to work with for smaller vendors. Honda rewards loyalty but is low on patience and does not provide much constructive criticism in the form of useful feedback.

**Rating**

If all the above exist give them a 5, if no development or suggestion program in place give them a 4 etc

**FINAL RATING: 4**

**LHR**

<i>Indicator</i>	<i>Rating</i>	<i>Indicator</i>	<i>Rating</i>
Code of Conduct - Availability	4	Second Tier Suppliers	1
Code of Conduct - Penalties	1	Evaluation - Internal	4
Contracts	1	Evaluation - Independent	
Reporting - Internal	1	Tracking Mechanisms	
Reporting - Independent	1	Miscellaneous - Training Programs	4
Supplier Enforcement-Awareness	1	Miscellaneous - Community	
Supplier Enforcement - Code of Conduct	1	Lawsuits	2
<b>OVERALL LHR RATING</b>			<b>2</b>

**Rating**

Average it out but the rating should not be higher than the code of conduct availability piece.

**FINAL RATING: 3**

Sustainability  
FINAL RATING: 3

## Ingersoll-Rand

### SRM Evaluation

#### Supplier Website:

<http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Pages/default.aspx>  
[Doing Business with Us- For Supplier]

<http://cct.ingersollrand.com/Suppliers/Pages/default.aspx>  
[Supplier Connection]

[http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD\\_0010\\_ENGLISH\\_IR\\_Global\\_Supplier\\_Quality\\_Manual.pdf](http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD_0010_ENGLISH_IR_Global_Supplier_Quality_Manual.pdf)  
[Global Supplier Quality Manual]

### Contacts

<http://ingersollrand.com/contact/Pages/home.aspx>  
[Ingersoll-Rand- Contact Us]

### Summary

<http://ingersollrand.com/aboutus/Pages/default.aspx>  
[Ingersoll Rand (NYSE:IR) is a world leader in creating and sustaining safe, comfortable and efficient environments. Our people and our family of brands-including Club Car, Ingersoll Rand, Schlage, Thermo King and Trane-work together to enhance the quality and comfort of air in homes and buildings, transport and protect food and perishables, secure homes and commercial properties, and increase industrial productivity and efficiency. We are a \$14 billion global business with more than 50,000 employees committed to sustainable business practices within our company and for our customers.]

### Partnership Guidelines:

<http://ingersollrand.com/productsandservices/doingbusiness/Pages/BPCOC.aspx>  
[Business Partner Code of Conduct]

### Lawsuits:

<http://www.bloomberg.com/news/2011-11-16/ingersoll-rand-jury-begins-hearing-trial-of-worker-payout-contract-lawsuit.html>  
[Ingersoll Rand Jury Begins Hearing Trial of Worker Payout Contract Lawsuit]

### Best Practices:

<http://www.airbestpractices.com/technology/air-compressors/innovation-ingersoll-rand>  
Innovation at Ingersoll Rand- Compressed Air Best Practices

[http://www.cees.ingersollrand.com/CEES\\_Documents/ClimateCorps\\_Flyer\\_SustainabilitySuccess\\_Final.pdf](http://www.cees.ingersollrand.com/CEES_Documents/ClimateCorps_Flyer_SustainabilitySuccess_Final.pdf)  
[Best Practices in Sustainability- Operational Excellence in Energy Efficiency]

### Vendor Recognition:

<http://envisioneering.danfoss.com/News/Danfoss+Receives+Award+for+Being+Green.htm>  
[Danfoss was presented with the Ingersoll-Rand “Go Green” Supplier of the Year award last month for the company’s efforts in reducing and recycling material at Ingersoll-Rand/Trane’s facility in Lexington, KY.]

**Company Recognition:**

<http://company.ingersollrand.com/NEWS/Pages/CorporateNews.aspx>

Various examples at Ingersoll Rand's website for Corporate News

<http://company.ingersollrand.com/news/pages/NewsStory.aspx?ID=763>

[Ingersoll Rand Diversity and Inclusion Efforts Recognized in The Wall Street Journal, 1/6/12]

Miscellaneous: NA

**LHR Evaluation****Summary:**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

[Ingersoll Rand Business Part Code of Conduct]

[This Ingersoll Rand Code of Conduct for Business Partners ("Code") sets Ingersoll Rand's expectations and standards for doing business and applies to agents, distributors, dealers, contractors, intermediaries, joint venture partners, suppliers and other business partners ("Business Partners") of Ingersoll Rand and its operating subsidiaries, affiliates and divisions, including merchandising affiliates of Ingersoll Rand.]

**Code of Conduct Evaluation:**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

Code of conduct addresses issues of discrimination, fair wages and benefits, safe work environment, freedom of association, restriction of forced labor, and restriction of child labor- no workers younger than the local, legal age or specific restrictions based on the ILO Convention 138.

Business partners must also abide by legal requirements where doing business, global trade compliance, as well as anti-trust and competition laws and anti-corruption and bribery.

Code of conduct also addresses requirements of confidentiality amongst business partners and their subcontractors, suppliers, etc.

**Contracts Evaluation: N/A**

**Supplier Monitoring/Evaluations:**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

Ingersoll Rand will review the conformance to any of the requirements set forth in the Business Partner Code of Conduct when it sees fit.

[http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD\\_0010\\_ENGLISH\\_IR\\_Global\\_Supplier\\_Quality\\_Manual.pdf](http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD_0010_ENGLISH_IR_Global_Supplier_Quality_Manual.pdf)

[Supplier On-Site Assessment]- This is to review a company to become a supplier to Ingersoll Rand.

**Second tier Suppliers:**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

All business partners are required to enforce the code of conduct with any of their suppliers, subcontractors, etc.

**Labor related lawsuits:**

<http://www.bloomberg.com/news/2011-11-16/ingersoll-rand-jury-begins-hearing-trial-of-worker-payout-contract-lawsuit.html>

[Ingersoll Rand Jury Begins Hearing Trial of Worker Payout Contract Lawsuit]

**Community Involvement:**

<http://company.ingersollrand.com/news/Pages/VolunteerNews.aspx>

Ingersoll Rand corporate website in “Volunteer News” reviews current community involvement for Ingersoll Rand and its employees.

**Tracking Mechanisms:**

<http://company.ingersollrand.com/sustainability/ReportingOurProgress/Environmental,%20Health,%20and%20Safety%20Goals/Pages/default.aspx>

[Environmental, Health, and Safety Goals]

**Miscellaneous:**

[http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD\\_0010\\_ENGLISH\\_IR\\_Global\\_Supplier\\_Quality\\_Manual.pdf](http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD_0010_ENGLISH_IR_Global_Supplier_Quality_Manual.pdf)

[Global Supplier Quality Manual- this manual provides quality guidelines for Ingersoll Rand Suppliers to meet or exceed in order to supply direct parts, raw materials, service parts and sourced products purchased by Ingersoll Rand.]

**Environmental Sustainability Evaluation**

**Code of Conduct**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

Business Partner Code of Conduct addresses the requirement to have an environmental policy to protect the environment and maintain required permits for operations.

**Sustainability Efforts**

<http://company.ingersollrand.com/sustainability/Pages/default.aspx>

[Ingersoll Rand and Sustainability]

This website provides a status report, product and solution information, green building certification, sustainability reports, information on the Center for Energy Efficiency and Sustainability, as well as information on “Make a Difference” to customers and employees to help “go green.”

**Contracts: N/A**

**Training Programs:**

<http://www.cees.ingersollrand.com/Pages/index.aspx>

[Center for Energy Efficiency and Sustainability- the Center for Energy Efficiency and Sustainability (CEES) at Ingersoll Rand is helping businesses and organizations learn how to use energy and resources more efficiently, for today and the future.]

**Reports:**

[http://files.shareholder.com/downloads/IR/1300865852x0x460276/72d3d5f0-8fe3-42ea-95a5-ee413be9d0cd/Ingersoll\\_Rand-2010\\_Annual\\_Report.pdf](http://files.shareholder.com/downloads/IR/1300865852x0x460276/72d3d5f0-8fe3-42ea-95a5-ee413be9d0cd/Ingersoll_Rand-2010_Annual_Report.pdf)

[2010 Annual and Sustainability Report]

<http://company.ingersollrand.com/sustainability/SustainabilityReports/Documents/IR-2010-Sustainability.pdf>

[2010 Annual and Sustainability Report- Environmental Supplement]

**Lawsuits: N/A**

**Evaluation:**

<http://company.ingersollrand.com/sustainability/ReportingOurProgress/Environmental%20Performance/Pages/default.aspx>

[Environmental Performance- Ingersoll Rand continuously measures its environmental performance based on metrics from its operations worldwide.]

**Tracking mechanisms:**

<http://company.ingersollrand.com/sustainability/ReportingOurProgress/Environmental,%20Health,%20and%20Safety%20Goals/Pages/default.aspx>

[Environmental, Health, and Safety Goals]

**Supplier Enforcements:**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

Ingersoll Rand will review the conformance to any of the requirements set forth in the Business Partner Code of Conduct when it sees fit.

[http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD\\_0010\\_ENGLISH\\_IR\\_Global\\_Supplier\\_Quality\\_Manual.pdf](http://company.ingersollrand.com/productsandservices/doingbusiness/forsuppliers/Documents/QMOD_0010_ENGLISH_IR_Global_Supplier_Quality_Manual.pdf)

[Supplier On-Site Assessment]- This is to review a company to become a supplier to Ingersoll Rand.

**Second tier Suppliers:**

[http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR\\_Business\\_Partner\\_Code\\_of\\_Conducts\\_English.pdf](http://ingersollrand.com/productsandservices/doingbusiness/Documents/IR_Business_Partner_Code_of_Conducts_English.pdf)

All business partners are required to enforce the code of conduct with any of their suppliers, subcontractors, etc.

**Dow Jones Sustainability index: Yes**

<http://investor.shareholder.com/ir/releasedetail.cfm?releaseid=604266>

[Ingersoll Rand Named to 2011 Dow Jones Sustainability World Index and North America Index]

**Newsweek green score: 58.8 (ENVTL.IMPACT:51.8, ENVTL. MGMT: 65.2, DISCLOSURE: 61.2)**

**Miscellaneous:**

<http://www.cees.ingersollrand.com/Pages/index.aspx>

[At the Center for Energy Efficiency and Sustainability (CEES) at Ingersoll Rand, we understand the challenges our communities face in an increasingly energy and carbon constrained world. By creating an open dialogue among stakeholders and opinion leaders, we will better understand how to reduce our own carbon footprint while helping our customers meet their toughest environmental challenges. To do this, we focus on technologies, policies, and behaviors that affect our company and our customers.]

**Spend Management**

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	
2	Process Defined	
	Approved Vendor List	
	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	
	Supplier access to evaluation	
5	Measures periodically updated	
	Supplier Evaluation Process Defined, Documented and Used	Evaluation process documented in the Global Supplier Quality Manual
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

Some elements of rating of 4 or 5 exist so give them a 3.

**FINAL RATING: 3**

**Strategic Sourcing**

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	
	Has measures on single sourcing, dual sourcing etc	
	Specifies policies for rationalizing products	
3	Measures for determining optimal rationalization	
	Cross functional sourcing teams	Sourcing teams include supply chain, quality, and other applicable teams
	Tracking capacity of supplier and capacity being used.	
4	Sourcing process incorporates rationalization	
	Documented measures	Documented sourcing process in the Global Supplier Quality Manual
5	Continuous improvement	
	Information sharing on capacity demand across the organization.	
	Suppliers empowered to work with each other	
	Suppliers and customers join cross-functional teams	

**Rating**

Some elements of 3 and 4 exist but with documentation of processes and requirements for supply base, give them a 3.

**FINAL RATING: 3**

**Category Management**

Rating	Indicator	Shown above
1	No market analysis	
	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	Cross functional teams do exist
3	Supply market goals in place	Goals in place (from website search)- no access to this webpage
	Whole supply chain involved	
	Very detailed documentation exists	Some detail for category-specific quality goals in place in Global Supplier Quality Manual
4	Prioritizing missing aspects	
	Documenting efforts of analysis	
	External contacts created.	Contracts with suppliers in place
5	Detailed understanding of spend vs other competitors	
	Established market intelligence	
	Future suppliers included in market analysis as well.	

**Rating**

Elements from 2, 3, and 4 exist; average of the ratings would be 3.

**FINAL RATING: 3**

**Supplier Relationship Management**

- Partnerships exist
- Offshore suppliers
- No legal issues with vendors
- Awards given
- Feedback mechanism (both ways)
- Supplier suggestion program in place.
- Supplier development plans in place

**Applying to IR :**

Partnerships exist with defined code of conduct; Some awards given; On-line suggestion and feedback programs in place. One lawsuit, but more LHR than suppliers. Still reduce rating by 1.

**Rating**

If all the above exist give them a 5, but lawsuit, reduce by 1, so 4.

**FINAL RATING: 4**

**LHR**

<i>Indicator</i>	<i>Rating</i>	<i>Indicator</i>	<i>Rating</i>
Code of Conduct - Availability	5	Second Tier Suppliers	3
Code of Conduct - Penalties	3	Evaluation - Internal	3
Contracts	3	Evaluation - Independent	
Reporting - Internal	1	Tracking Mechanisms	
Reporting - Independent	1	Miscellaneous - Training Programs	4
Supplier Enforcement-Awareness	3	Miscellaneous - Community	3
Supplier Enforcement - Code of Conduct	5	Lawsuits	-1
<b>OVERALL LHR RATING</b>			<b>3</b>

**Rating**

Average it out but the rating should not be higher than the code of conduct availability piece.

**FINAL RATING: 3**

**Sustainability**

**FINAL RATING: 4**

# KONE Corporation

**SRM Evaluation**

**Supplier Website:**

[https://ssl.kone.com/dana-na/auth/url\\_default/welcome.cgi](https://ssl.kone.com/dana-na/auth/url_default/welcome.cgi)

**Contacts:**

+3580204751 (Finland), 8009565663 (USA)



**Summary:**

<http://www.kone.com/corporate/en/company/inbrief/Pages/default.aspx>

KONE, one of the global leaders in the elevator and escalator industry, was founded in 1910. Our objective is to offer the best people flow experience by developing and delivering solutions that enable people to move smoothly, safely, comfortably and without waiting in buildings in an increasingly urbanizing environment. Providing industry-leading elevators, escalators and innovative solutions for modernization and maintenance, we are committed to understand the needs of our customers in various segments for the past century. In 2011, KONE had annual net sales of EUR 5.2 billion and on average 35,000 employees. KONE class B shares are listed on the NASDAQ OMX Helsinki Ltd.

**Supplier:**

<http://www.kone.com/corporate/en/company/suppliers/Pages/default.aspx>

Sourcing at KONE is based on a category management approach to enable enterprise-wide coordination of sourcing activities, supplier management and optimal support for our global operations. Our sourcing professionals around the globe are systematically realizing synergies and cost reduction through internal and external collaboration.

KONE collaborates with internal stakeholders and our suppliers to maximize business value and bottom line impact. KONE wants to continuously improve customer value and profit contribution by proactively engaging best-in-class suppliers as well as our organization in collaborative teamwork. KONE will relentlessly provide innovative solutions and reduce the total cost of ownership so that KONE is competitively positioned in every market in which we compete.

**Partnership Guidelines:**

<http://www.kone.com/corporate/en/company/suppliers/termsco/Pages/default.aspx>

(2012: The terms and conditions between KONE and our suppliers are set forth in written contracts. The following terms and conditions are an example of contractual requirements expected from all our suppliers.)

<http://www.kone.com/corporate/en/company/suppliers/coc/Pages/default.aspx>

(2012: Suppliers' code of conduct)

**Lawsuits:** N/A

**Best Practices:**

<http://www.greenfleetmagazine.com/article/2424/kone-takes-fleet-eco-efficiency-to-a-higher-level>

(2010: The sourcing team uses a broad category management structure involving key stakeholders throughout the entire organization. Utilizing a KONE Way global initiative called Project O2xygen, as well as operating a fleet quality improvement team in the Americas, the group shares best practices globally and leverages worldwide supplier services.)

**Vendor Recognition:**

KONE Quality Award

(2009: Kone Supplier Days 2009 – new venue, new scope, new theme – and once again the Quality Award goes to Welser. (<http://www.welser.com/index.php?id=6879>))

**Company Recognition:**

[http://qctimes.com/business/article\\_af1fa1ac-e2c5-11de-bb28-001cc4c002e0.html](http://qctimes.com/business/article_af1fa1ac-e2c5-11de-bb28-001cc4c002e0.html)

(2009: Kone Inc.'s emphasis on sustainable environmental practices helped the manufacturer achieve the ISO 14001 certification for three of its operations, including its escalator plant in Coal Valley, Ill.)

[http://www.kone.com/countries/en\\_us/about/news/pages/konebecomesfirstelevatorcompanytoreceiveprestigiousgooddesignaward.aspx](http://www.kone.com/countries/en_us/about/news/pages/konebecomesfirstelevatorcompanytoreceiveprestigiousgooddesignaward.aspx)

(2009: KONE becomes first elevator company to receive prestigious GOOD DESIGN award)

<http://www.reuters.com/article/2011/10/21/idUS90720+21-Oct-2011+HUG20111021>

(2011: KONE included on CDP's Carbon Disclosure Climate Leadership Index)

**Miscellaneous:**

<http://www.4-traders.com/KONE-CORPORATION-470802/news/KONE-CORPORATION-to-deliver-People-Flow-at-The-Leadenhall-Building-in-London-13916772/>

(2011: KONE Corporation : to deliver People Flow at The Leadenhall Building in London)

[http://qctimes.com/business/article\\_b308ec5c-a758-11e0-b8b5-001cc4c002e0.html](http://qctimes.com/business/article_b308ec5c-a758-11e0-b8b5-001cc4c002e0.html)  
(2011: Kone Corp. acquires elevator company)

### **LHR Evaluation**

#### **Code of Conduct Evaluation:**

<http://www.kone.com/corporate/en/company/suppliers/coc/Pages/default.aspx>

(2012: Supplier code of conduct

KONE's supplier code of conduct focuses on four criteria that are related to LHR: Non-discrimination, Child or Forced Labor, Working Environment, and Wages and Benefits )

<http://www.kone.com/corporate/en/responsibility/personnel/Pages/default.aspx>

(2012: Corporate responsibility about employee policy

KONE emphasizes its employee policy on three major aspects: Employee engagement, Personnel Development, and Unsafe behaviors and attitudes)

[http://www.kone.com/corporate/en/responsibility/kone\\_and\\_responsibility/ethical\\_business\\_practices/Pages/default.aspx](http://www.kone.com/corporate/en/responsibility/kone_and_responsibility/ethical_business_practices/Pages/default.aspx)

(2012: Ethical Business Practices

KONE's Code of Conduct addresses matters regarding compliance with laws and rules of society, work environment, the marketing of products and services, fair competition as well as environment and sustainability. Also, the company provides E-training program on code of conduct)

#### **Contracts Evaluation:**

<http://www.kone.com/corporate/en/company/suppliers/termsco/Pages/default.aspx>

(2012: The terms and conditions between KONE and our suppliers are set forth in written contracts. The following terms and conditions on the link are an example of contractual requirements expected from all our suppliers.)

**Supplier Monitoring/Evaluations:** N/A

**Reporting:** N/A

**Second-tier suppliers:** N/A

**Labor related lawsuits:** N/A

#### **Community Involvement:**

<http://www.prlog.org/11095601-kone-announces-50-energy-reduction-in-its-volume-elevators.html>

(2010: KONE announces 50% energy reduction in its volume elevators)

[http://www.kone.com/countries/en\\_GB/about\\_us/kone\\_in\\_the\\_community/pages/default.aspx](http://www.kone.com/countries/en_GB/about_us/kone_in_the_community/pages/default.aspx)

(KONE in the community)

<http://www.kone.com/countries/marine/references/researchanddevelopment/pages/default.aspx>

**(A global innovation community)**

**Tracking Mechanisms:** N/A

**Miscellaneous:** N/A

### **(2011)Environmental Sustainability Evaluation**

#### **Code of Conduct:**

<http://www.kone.com/corporate/en/responsibility/Pages/default.aspx>

(2011: KONE Social Responsibility Page)

Corporate responsibility is a key element of KONE's business approach. Our aim is to create added value for our stakeholders, while acting in a responsible manner towards our people and taking care of the environment we live in. We contribute to sustainable urban development through our solutions that meet the eco-efficiency, safety and accessibility needs of our customers and end-users.

<http://www.kone.com/corporate/en/responsibility/environment/Pages/default.aspx>

(2011: Environment responsibility)

KONE's environmental responsibility covers the full life cycle of our products from design and manufacturing all the way to maintaining and modernizing the equipment. KONE's life cycle analysis shows that our greatest environmental impact stems from the energy used by our products during their use. We focus on developing innovative and energy efficient solutions that help significantly cut the energy consumption of buildings.

<http://www.kone.com/corporate/en/company/suppliers/coc/Pages/default.aspx>

(2012: Suppliers' code of conduct)

There are five main rules in the suppliers' code of conduct that KONE uses for forcing suppliers to pay attention to their environment

- (i) Suppliers shall obtain and maintain all required environmental permits and registrations and shall follow the operational and reporting requirements associated with such permits;
- (ii) Suppliers shall strive to reduce or eliminate waste of all types;
- (iii) Suppliers shall monitor, control and appropriately treat wastewater and solid waste generated from operations;
- (iv) Suppliers shall monitor, control and appropriately treat air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations; and
- (v) Suppliers shall adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances, as well as those laws and regulations regarding the reporting of an intentional or inadvertent wrongful discharge of waste and emissions.)

**Contracts: N/A**

**Training Programs: N/A**

**Reports:**

[http://www.kone.com/corporate/en/Investors/reportsandpresentations/annualreports/Documents/Corporate\\_responsibility\\_report\\_2010.pdf](http://www.kone.com/corporate/en/Investors/reportsandpresentations/annualreports/Documents/Corporate_responsibility_report_2010.pdf)

(2010: Corporate Responsibility Report)

KONE reduced its relative carbon footprint in 2010

In 2010, KONE achieved a two percent carbon footprint reduction relative to net sales compared to the base year of 2009. KONE's absolute operational carbon footprint for 2010 increased by three percent compared to 2009.

The increase was partly due to the extension of the reporting scope to cover spare parts logistics and local logistics in countries, as well as increased production volumes. The best results were achieved by our maintenance car fleet, which achieved a 4.6 percent reduction of carbon emissions per unit of equipment under KONE's maintenance, compared to its target of five percent.

In 2010, all KONE's corporate functions and all production units were ISO 14001 and ISO 9001 certified. In 2009, 10 country organizations were certified, and in 2010 one more country organization was certified. The focus for the future is to maintain the achieved certificates and increase the number of certified country organizations. In 2011, two more country organizations are expected to receive certification.)

**Lawsuits: N/A**

**Evaluation: N/A**

**Tracking mechanisms: N/A**

[http://www.kone.com/corporate/en/responsibility/responsibility\\_key\\_figures/environmental\\_data/Pages/default.aspx](http://www.kone.com/corporate/en/responsibility/responsibility_key_figures/environmental_data/Pages/default.aspx)

(2010: Environmental impact data)

**Supplier Enforcements:**

<http://www.kone.com/corporate/en/company/suppliers/coc/Pages/default.aspx>

(2012: Suppliers' code of conduct)

**Second tier Suppliers: N/A**

**Dow Jones Sustainability index: Yes**

**Newsweek green score: N/A**

**Miscellaneous: N/A**

**Spend Management**

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	
2	Process Defined	
	Approved Vendor List	
	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	
	Supplier access to evaluation	
	Measures periodically updated	
5	Supplier Evaluation Process Defined, Documented and Used	
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

Not have a chance to access to supplier portal even though the company has it. However, there is much information about rules and regulations how suppliers should do.

**FINAL RATING: 3**

**Strategic Sourcing**

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	
	Has measures on single sourcing, dual sourcing etc	
	Specifies policies for rationalizing products	
3	Measures for determining optimal rationalization	
	Cross functional sourcing teams	
	Tracking capacity of supplier and capacity being used.	
4	Sourcing process incorporates rationalization	
	Documented measures	There is some information about requirement of suppliers' documentation system
5	Continuous improvement	
	Information sharing on capacity	

	demand across the organization.	
	Suppliers empowered to work with each other	
	Suppliers and customers join cross-functional teams	

**Rating**

Not have much information about its sourcing strategy.

**FINAL RATING: 2**

Category Management

Rating	Indicator	Shown above
1	No market analysis	
	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	
3	Supply market goals in place	
	Whole supply chain involved	The company stated that they focused on the whole supply chain system.
	Very detailed documentation exists	
4	Prioritizing missing aspects	
	Documenting efforts of analysis	
	External contacts created.	
5	Detailed understanding of spend vs other competitors	The company did but did not provide much information.
	Established market intelligence	
	Future suppliers included in market analysis as well.	

**Rating**

The company shows its intention to create whole supply chain system and compare its cost to other competitors, but it does not provide much information.

**FINAL RATING: 3**

**Supplier Relationship Management**

- Partnerships exist
- Offshore suppliers
- No legal issues with vendors
- Awards given
- Feedback mechanism (both ways)
- Supplier suggestion program in place.
- Supplier development plans in place

**Applying to KONE :**

Awards given, partnerships exist, innovation information provided, suggestion and development programs in place. No lawsuit. Suppliers considered key in growth and openly stated.

**FINAL RATING: 4**

**LHR**

Indicator	Rating	Indicator	Rating
Code of Conduct - Availability	5	Second Tier Suppliers	2

Code of Conduct - Penalties	3	Evaluation – Internal	3
Contracts	3	Evaluation – Independent	
Reporting – Internal	3	Tracking Mechanisms	2
Reporting - Independent	4	Miscellaneous – Training Programs	4
Supplier Enforcement-Awareness	3	Miscellaneous – Community	4
Supplier Enforcement – Code of Conduct	4	Lawsuits	5
<b>OVERALL LHR RATING</b>			<b>3</b>

**Rating**

Not much information about evaluation. Give it 3 by averaging the scores.

**FINAL RATING: 3**

# Volkswagen

**SRM Evaluation**

**Supplier Website:**

<http://www.vwgrouppsupply.com/b2bpub/>

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/economy/supplier\\_relations.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/economy/supplier_relations.html)

**Contacts**

info@volkswagen-sustainability.com

**Summary**

<http://en.wikipedia.org/wiki/Volkswagen>

**Volkswagen** (abbreviated **VW**) is a German automobile manufacturer and is the original and biggest-selling marque of the Volkswagen Group, which now also owns the Audi, Bentley, Bugatti, Lamborghini, SEAT, 49.9% of Porsche, and Škoda marques and the truck manufacturer Scania.

**Partnership Guidelines:**

[http://www.vwgrouppsupply.com/b2bpub/documents/weltweit\\_vertreten/vw\\_group\\_of\\_america/vwgoa\\_supplier\\_manual.file.pdf](http://www.vwgrouppsupply.com/b2bpub/documents/weltweit_vertreten/vw_group_of_america/vwgoa_supplier_manual.file.pdf)

VW Supplier Manual

<http://www.csr-supplychain.org/supply-chain-programme/volkswagen-sustainability-in-supplier-relations>

**Lawsuits: NA**

**Best Practices: NA**

**Vendor Recognition:**

[http://www.volkswagenag.com/content/vwcorp/info\\_center/en/themes/2010/06/Group\\_Award\\_2010\\_\\_Volkswagen\\_honors\\_its\\_best\\_suppliers.html](http://www.volkswagenag.com/content/vwcorp/info_center/en/themes/2010/06/Group_Award_2010__Volkswagen_honors_its_best_suppliers.html)

**Volkswagen Supplier Awards**

**Company Recognition:**

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/basics/indexes\\_rankings.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/basics/indexes_rankings.html)

**Miscellaneous: NA**

**LHR Evaluation**

**Code of Conduct Evaluation:**

[http://www.volkswagenag.com/content/vwcorp/content/en/human\\_resources/basic\\_principles.htm](http://www.volkswagenag.com/content/vwcorp/content/en/human_resources/basic_principles.htm)

**VW Human Resources - Basic Principles**

**Contracts Evaluation: NA**

**Supplier Monitoring/Evaluations:**

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/economy/supplier\\_relations/the\\_sustainability.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/economy/supplier_relations/the_sustainability.html)

**Labor related lawsuits:**

<http://www.nytimes.com/2008/01/15/business/worldbusiness/15iht-corrupt.4.9238574.html>

**Community Involvement:**

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/CSR\\_worldwide/Volkswagen\\_Community\\_Trust.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/CSR_worldwide/Volkswagen_Community_Trust.html)

**Tracking Mechanisms: NA**

**Miscellaneous: NA**

**Environmental Sustainability Evaluation:**

**Code of Conduct:**

[http://www.volkswagenag.com/content/vwcorp/info\\_center/en/publications/2010/07/Verhaltensgrundsaeetze\\_des\\_Volkswagen\\_Konzerns.-bin.acq/qual-BinaryStorageItem.Single.File/The%20Volkswagen%20Group%20Code%20of%20Conduct.pdf](http://www.volkswagenag.com/content/vwcorp/info_center/en/publications/2010/07/Verhaltensgrundsaeetze_des_Volkswagen_Konzerns.-bin.acq/qual-BinaryStorageItem.Single.File/The%20Volkswagen%20Group%20Code%20of%20Conduct.pdf)

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/environment.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/environment.html)

**Contracts: NA**

**Training Programs:**

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/economy/supplier\\_relations/the\\_sustainability.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/economy/supplier_relations/the_sustainability.html)

**Reports: (investor/stockholder annual report)**

[http://www.volkswagenag.com/content/vwcorp/info\\_center/en/publications/publications.html](http://www.volkswagenag.com/content/vwcorp/info_center/en/publications/publications.html)

**Lawsuits:**

**Evaluation:**

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/basics/independent\\_assurance.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/basics/independent_assurance.html)

**Tracking mechanisms:**

[http://www.volkswagenag.com/content/vwcorp/content/en/sustainability\\_and\\_responsibility/economy/supplier\\_relations/the\\_sustainability.html](http://www.volkswagenag.com/content/vwcorp/content/en/sustainability_and_responsibility/economy/supplier_relations/the_sustainability.html)

**Supplier Enforcements: NA**

**Second tier Suppliers: NA**

**Miscellaneous:**

<http://www.csr-supplychain.org/>

**Spend Management**

Rating	Indicator	Shown above
1	No process	
	Relationship based buying	
	No historical information	
2	Process Defined	
	Approved Vendor List	
	Some historical data Available	
3	Process fine tuned	
	Measurement Process in Place	
	Suppliers Informed of Process	
4	Central Database	Availability of supplier portal
	Other Business Units Access to Database of supplier allocation	
	Evaluation of spend management process	
	Supplier access to evaluation	
	Measures periodically updated	Continuously monitored and updated
5	Supplier Evaluation Process Defined, Documented and Used	Supplier portal contains robust list of expectations and monitoring protocol
	Performance results reflect on allocations	
	Secondary research on measures incorporated	
	Ability of suppliers to work to optimize allocation	

**Rating**

**FINAL RATING: 4**

**Strategic Sourcing**

Rating	Indicator	Shown above
1	Randomly choosing suppliers	
2	Tracks supply base. Documented	List of Preferred Suppliers
	Has measures on single sourcing, dual sourcing etc	
	Specifies policies for rationalizing products	
3	Measures for determining optimal rationalization	
	Cross functional sourcing teams	VW maintains internal sourcing team
	Tracking capacity of supplier and capacity being used.	
4	Sourcing process incorporates rationalization	Discusses robust strategic sourcing process
	Documented measures	Supplier portal contains documented expectations
5	Continuous improvement	It is an expectation listed throughout portal
	Information sharing on capacity demand across the organization.	
	Suppliers empowered to work with each other	



	Suppliers and customers join cross-functional teams	VW stresses opportunities for collaboration
--	-----------------------------------------------------	---------------------------------------------

**Rating**

**FINAL RATING: 4**

**Category Management**

Rating	Indicator	Shown above
1	No market analysis	
	No future planning	
	Product purchased whenever	
2	Supply markets studied and documented	
	Marketing strategies historical	
	Cross functional teams but no clear cut goals	
3	Supply market goals in place	
	Whole supply chain involved	
	Very detailed documentation exists	
4	Prioritizing missing aspects	
	Documenting efforts of analysis	
	External contacts created.	Long-term contracts with preferred suppliers
5	Detailed understanding of spend vs other competitors	Constant benchmarking with competition
	Established market intelligence	Strong material planning process
	Future suppliers included in market analysis as well.	

**Rating**

Categories defined and preferred suppliers established for categories with long-term agreements

**FINAL RATING: 4**

**Supplier Relationship Management**

- Partnerships exist
- Offshore suppliers
- No legal issues with vendors
- Awards given
- Feedback mechanism (both ways)
- Supplier suggestion program in place.
- Supplier development plans in place

**Applying to Deere :**

Preferred suppliers with long term contracts exist; Awards given; No legal issues with vendors; Supplier Portal allows for communication and feedback, as well as training on supplier expectations with quality, order fulfillment

**Rating**

If all the above exist give them a 5, if no development or suggestion program in place give them a 4 etc

**FINAL RATING: 5**

**LHR**

Indicator	Rating	Indicator	Rating
Code of Conduct - Availability	4	Second Tier Suppliers	3
Code of Conduct - Penalties	3	Evaluation - Internal	3
Contracts	3	Evaluation - Independent	
Reporting - Internal	4	Tracking Mechanisms	4
Reporting - Independent	2	Miscellaneous - Training	4

		Programs	
Supplier Enforcement-Awareness	4	Miscellaneous - Community	
Supplier Enforcement - Code of Conduct	4	Lawsuits	
<b>OVERALL LHR RATING</b>			<b>3</b>

**Rating**

Average it out but the rating should not be higher than the code of conduct availability piece.

**FINAL RATING: 3**

**Sustainability**

**FINAL RATING: 4**