

Supplier Engagement Strategy (SES) – Fundamentals



Capacity Management



Sourcing



Onboarding



Assess & Develop



Exit

FOCUS

Secure right capacity & capability at right place

Long range plan as well as seasonal projections to identify capacity & capability developments in country/regions.

Maintain agile & transparent supply chain

Create transparency & traceability in whole supply chain through Citizenship & Sustainability priorities. Review country macros, risk & opportunities seasonally & annually

Invest time & resource to build strong business relations

New supplier, new factory or new production country onboarding based on long range and or seasonal projections through hands-on trainings

Supplier empowerment with partnership. Value creation through Global Supplier Network

Defined global approach to evaluate seasonal/ annual performance of suppliers and solicit supplier feedback on Ralph Lauren purchasing practices. Identify & agree on necessary business developments and investments.

Exit initiated based on supplier's own strategy and / or supplier not meeting the compliance/business requirements. Supplier Exit Plan is communication along with a specific & agreed timeline.

RESPONSIBLE PURCHASING PRACTICES



Supplier Engagement Strategy (SES)

DEFINITION

RALPH LAUREN APPROACH

New	Niche	Evolving	Key	Strategic
<p>New supplier that has potential to be part of Ralph Lauren supply chain based on current & potential capabilities. Minimum requirements is secured.</p>	<p>Providing artisanal or authentic products at small workshops in small quantities. Minimum requirements are secured.</p>	<p>Evolving supplier has a potential to become Key or Strategic Supplier. Willing to grow by committing to overcome capacity & product bottlenecks. Minimum requirements are secured however have development areas either on performance or on business needs in order to be relevant</p>	<p>An industry leader, willing to be a long-term partner who share common values & standards. Cooperates to improve certain areas of performances. Proactivity & sense of ownership on RL business to enhance practices on both ends by being vocal with their new ideas & opportunities</p>	<p>Long term partners who share common values & standards through high performance. Flexibility in shifting capacities/capabilities to mitigate risk of potential supply chain disruptions. Excellence in innovation & digitization for an agile & efficient supply chain.</p>
<p>Supplier is onboarded, trained and followed for excellence to perform high in all areas. Planned business growth is observed in line with performance. Start small, grow gradually.</p>	<p>Providing seasonal projection to book capacity. Business & resource support when it is necessary.</p>	<p>Seasonal /Annual business performance evaluation. Providing seasonal projection to book capacity.</p>	<p>Regular dialogue with sourcing leaders. Partner on current or new initiatives to elevate suppliers to maintain their positions as industry leaders. Providing long range plan to support necessary investment and developments in supply chain.</p>	<p>Regular dialogue with Executive Leadership & sourcing leaders about RL's strategy. Partner on new initiatives to elevate suppliers to maintain their positions as industry leaders. Providing long range plan to support necessary investment and developments in supply chain.</p>

Responsible purchasing practices & transparency are the foundation of our Supplier Engagement Strategy