



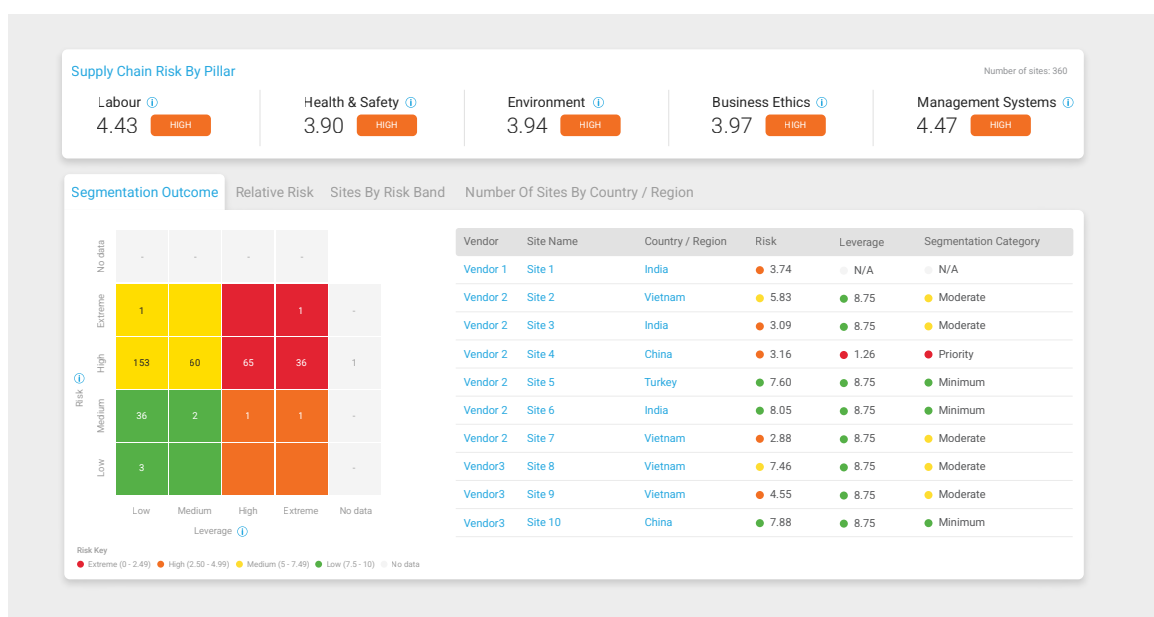
Segmentation

POWERED BY



Segmentation gives clients a clear and useful risk profile view of their supplier base to build more effective, resource-efficient and impactful responsible sourcing programmes.

LRQA works with responsible sourcing teams to translate Segmentation results into the strategic insights and fit-for-purpose programme recommendations they need to drive deep and lasting impact in an ever-evolving global sourcing landscape.



How it works

1

Define the Segmentation framework and upload site/supplier data

The process begins by defining the client's needs, taking stock of current practices, and understanding future objectives. LRQA then takes a deep dive into the available data on a client's sites or suppliers across their organisation in order to build an analytical structure that is designed to meet those objectives and leverage client specific data.

2

Build the model based on supplier data

For each client, LRQA builds a custom risk and business leverage model based on the client's unique supplier data inputs and priorities. This allows the analysis to meet client's needs and ensures that the outcomes and recommendations are practical and fit for the client's purpose, priorities, resources, and long-term goals. This also helps identify specific sites or suppliers that require more attention for proactive supply chain risk monitoring.

3

Conduct analysis

Analysing the supply chain based on both risk and business leverage allows LRQA to generate insights that directly inform a strategic prioritisation of investments. To do this, LRQA assigns risk across each supplier, site, or product category according to the custom risk model and based on EIQ risk indices, and generates a Segmentation supply chain "map" that can be filtered by business unit, sourcing region, product category and more directly on the EIQ Analyse platform. All analytical results are presented to the client to ensure alignment before proceeding to recommendations development.

4

Build programme recommendations

No analysis is complete without a set of practical recommendations that allow the client to translate analytical insights into real impact. LRQA has teams across the globe conducting assessments, working on site to build capacity, and delivering an array of "beyond audit" solutions to improve supply chain performance. This on-the-ground expertise and experience allows LRQA to deliver action-oriented recommendations that are strategically informed by the Segmentation analysis and designed for real-world implementation.

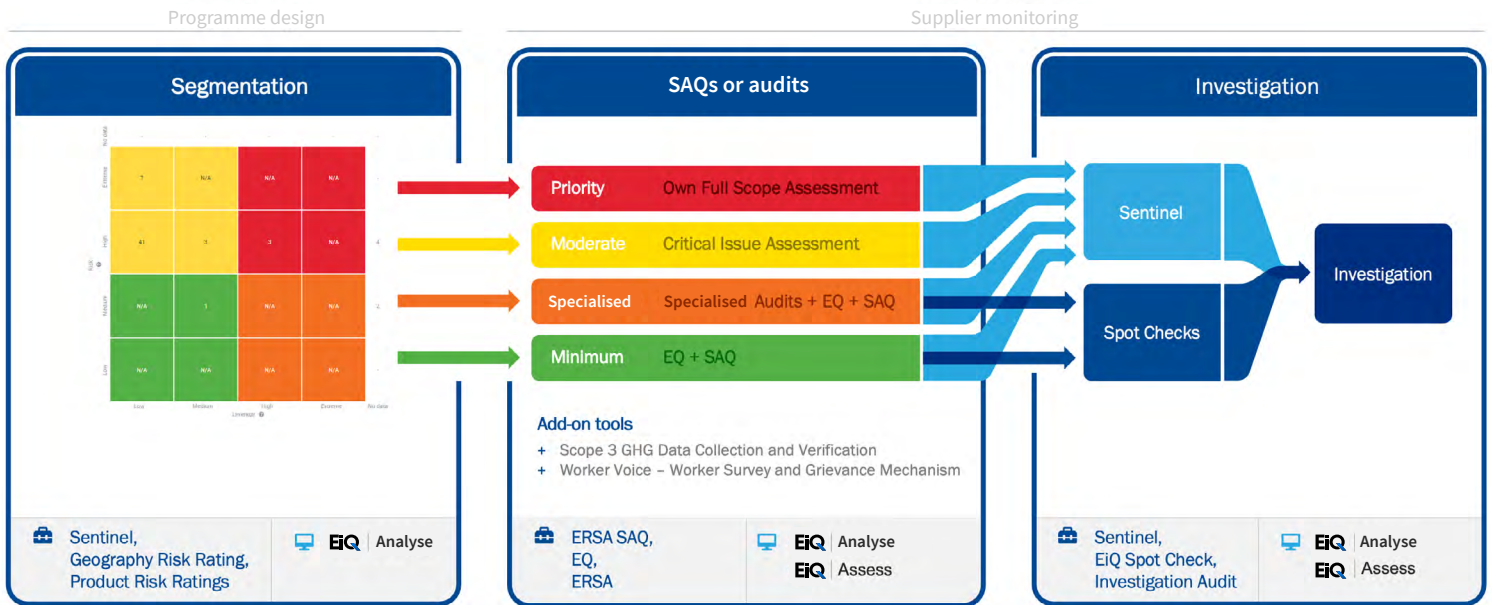


What next?

Segmentation results give our clients the ability to redesign programmes and prioritise engagement based on risk assessments. This may require Corrective Action Plans (CAPs) and follow-up audits for sites and suppliers falling in the red or high-risk quadrant or eLearning training for sites and suppliers falling in the yellow quadrant. The segmentation analysis will inform a more strategic (“smart”) approach to programme design and audit scheduling to ensure due diligence activities are based on actual risk/leverage segment.

Our unique and proprietary Segmentation tool brings together inherent risk exposure and risk management intelligence to inform both effective programme design for brands and retailers and investor ESG intelligence.

Segmentation workflow: enabling prioritisation and impact



Benefits

- Risk intelligence on sourcing geographies and suppliers based on LRQA's proprietary EiQ supply chain data
- Enhanced visibility into existing internal sourcing practices and relationship with suppliers
- Insight into prioritising internal resources to manage risks and maximise impact on business operations and supply chain stakeholders
- Recommendations for programmes that are scalable, resource-efficient, tailored to client context and objectives, and applicable across global operations

EiQ overview

EiQ is an end-to-end service platform and workflow used to enhance Environmental, Social, and Governance (ESG) due diligence and enable supply chain transformation. The ecosystem combines LRQA's three existing environments (Assess, Learn, and Analyse) into a single seamless workflow that provides holistic, integrated ESG solutions for business-driven sustainability.

This comprehensive ecosystem uses machine learning combined with insight from our on-the-ground assessment teams to empower companies, suppliers and financial institutions to meet customer, regulator and stakeholder due diligence requirements.

Get in touch

Visit [eiq.ai](https://www.eiq.ai) for more information

→ Request a demo

LRQA
1 Trinity Park
Bickenhill Lane
Birmingham
B37 7ES
United Kingdom



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