

Key

- ▲ Target exceeded
- Target achieved or in line with plan
- ▣ Target partially achieved
- ▼ Target postponed
- ➡ See page



CORPORATE AND SUSTAINABILITY GOVERNANCE

MAINTAINING A BEST-IN-CLASS SYSTEM OF GOVERNANCE, COMPLIANCE, AND RISK MANAGEMENT

Commitment: Continuously update the corporate governance and compliance systems to remain aligned with best practices

	ACTIONS	2014 RESULTS	TARGETS
CNH Industrial	<ul style="list-style-type: none"> ▶ Enhancement of Board members' knowledge of Company operations 	<ul style="list-style-type: none"> ■ Board members updated by top management on new Business Plan and most relevant organizational aspects during dedicated meetings 	<ul style="list-style-type: none"> ▶ 2015: provision of targeted training to Board members
		➡ 52	
	<ul style="list-style-type: none"> ▶ Implementation of an integrated sustainability management system incorporating environmental and social issues in business decisions 	<ul style="list-style-type: none"> ■ Sustainability Representatives and Regional Sustainable Development Owners identified 	<ul style="list-style-type: none"> ▶ 2015: update of the sustainability governance model
		➡ 54	
	<ul style="list-style-type: none"> ▶ Increase in the number of Key Performance Indicators (KPI) monitored and respective update according to reporting standards and information requested by sustainability rating agencies and according to Company's material aspects 	<ul style="list-style-type: none"> ■ Several outcomes achieved: <ul style="list-style-type: none"> ▶ Stakeholder engagement performed and materiality matrix updated ▶ KPI list further integrated according to broader sustainability context, business plan, and materiality analysis results 	<ul style="list-style-type: none"> ▶ 2015: update and broadening of the materiality analysis
		➡ 19	
	<ul style="list-style-type: none"> ▶ Alignment of sustainability issues reporting system with best practice 	<ul style="list-style-type: none"> ■ Greater amount of non-financial information on operations included in the Annual Report 	
	<ul style="list-style-type: none"> ▶ Conception, design, and oversight of a Corporate Compliance Program 	<ul style="list-style-type: none"> ■ Compliance & Ethics (C&E) Committees created 	<ul style="list-style-type: none"> ▶ 2015: development of a reporting package to rationalize the periodic reports from Regional C&E Committees to the Global C&E Committee, and from the latter to the Audit Committee
		➡ 55	
	<ul style="list-style-type: none"> ▶ Maintenance of Code of Conduct alignment with best practices 	<ul style="list-style-type: none"> ■ New Code of Conduct and corporate policies approved by the Board of Directors 	<ul style="list-style-type: none"> ▶ 2015: dissemination of the new Code of Conduct and related corporate policies ▶ 2015: provision of Code of Conduct training courses
		➡ 56	
	<ul style="list-style-type: none"> ▶ Update of the Compliance Training Program 	<ul style="list-style-type: none"> ■ Several critical issues identified via compliance risk assessments 	
		➡ 57	
	<ul style="list-style-type: none"> ▶ Update of the corporate Whistleblowing System for the reporting and investigation of complaints/allegations 	<ul style="list-style-type: none"> ■ New Compliance Helpline System implemented and new Compliance Helpline Policy developed 	<ul style="list-style-type: none"> ▶ 2015: dissemination of information to all employees on the new Compliance Helpline Policy and new Compliance Helpline System
		➡ 57	
	<ul style="list-style-type: none"> ▶ Implementation of reasonable efforts to identify, and to require each CNH Industrial supplier to disclose, the use of conflict minerals in the supply chain 	<ul style="list-style-type: none"> ■ Preliminary conflict minerals reporting completed and disclosed for Agricultural Equipment and Construction Equipment 	
		➡ 157	
	<ul style="list-style-type: none"> ▶ Monitoring of the impact of business activities on human rights 	<ul style="list-style-type: none"> ■ Human rights assessment conducted in India, involving more than 90% of India's workforce 	<ul style="list-style-type: none"> APAC ▶ 2015: human rights assessments across other CNH Industrial legal entities
		➡ 60	

Commitment: Maintain a continuously updated risk management system

	ACTIONS	2014 RESULTS	TARGETS
CNH Industrial	<ul style="list-style-type: none"> ▶ Enhancement of the Company's capabilities and tools for identifying, measuring, analyzing, and managing pure risks, focusing on risks related to climate change, earthquakes, and other environmental factors 	<ul style="list-style-type: none"> ■ Climate change: flood risk reengineering methodology launched ➡ 64 ■ Earthquake: quantitative risk assessment methodology developed to enable full probabilistic approach. Methodology applied to 10 Italian CNH Industrial sites ▲ Environment: 6 CNH Industrial sites surveyed for third party certification. Potential improvements to mitigate possible exposures identified ➡ 64 	<ul style="list-style-type: none"> ▶ 2015: verification that the climate change potential risks mitigation methodologies (e.g. flood risk assessment) are the most advanced ▶ 2017: extension of assessment methodology to most significant sites (in terms of their economic relevance and potential economic damage to the Company's value chain)
	<ul style="list-style-type: none"> ▶ Development of a methodology to evaluate key suppliers' risk assessment and mitigating/risk management procedures 		<ul style="list-style-type: none"> ▶ 2015: introduction of risk management evaluation tool and testing on four select suppliers

