

Ten leading automotive companies launch an initiative to identify and address sustainability issues in raw materials sourcing

Today, Drive Sustainability, a partnership between 10 leading automotive companies (BMW Group, Daimler AG, Ford, Honda, Jaguar Land Rover, Scania CV AB, Toyota Motor Europe, Volkswagen Group, Volvo Cars and Volvo Group), announced it would set up a Raw Materials Observatory to identify and address ethical, environmental, human and labour rights issues in the sourcing of raw materials.

Drive Sustainability has already been working on improving the sustainability of the automotive supply chain for the past five years, and this new initiative represents the next step in their global commitment to ensure business ethics, respect for the environment and human rights, and decent working conditions within the supply chain. This common approach complements individual activities performed by each company, with a common goal towards worldwide sustainability.

Representatives from around 70 automotive companies, automotive suppliers, NGOs and EU institutions were invited to Brussels today to discuss the approach surrounding the observatory. Drive Sustainability presented the initiative and gathered feedback from stakeholders, to understand their views and expectations on the responsible sourcing of raw materials.

Stefan Crets, Executive Director of CSR Europe, which coordinates this partnership, said “The Raw Material Observatory will assess the risks posed by the top raw materials (such as mica, cobalt, rubber, leather and others) in the automotive sector. This will allow Drive Sustainability to identify the most impactful activities to pursue in order to address the human, ethical and environmental issues within the supply chain.” This complements individual approaches to integrating sustainability in raw materials sourcing, undertaken by automotive companies.

The risk assessment of the top raw materials will be conducted by The Dragonfly Initiative – a specialized sustainability advisory firm. Based on its results (ready by January 2018) and on the input received from stakeholders, Drive Sustainability will unveil its action plan to address these risks at the beginning of 2018.

Drive Sustainability was founded as a partnership five years ago. Its member companies have been working together since to drive sustainability throughout the global automotive supply chain. This was initially done through adopting common sustainability principles. To implement these principles, Drive Sustainability has designed a common approach to monitor compliance and promote the principles through the procurement process, to organise capacity building actions such as supplier trainings and local supplier networks.

Drive Sustainability is currently in discussion with the Responsible Mica Initiative to contribute to their ambition of achieving a 100% responsible Indian Mica supply chain over the next 5 years.

“A potential collaboration with the Responsible Mica Initiative is a learning opportunity for both organisations. For Drive Sustainability this is an occasion to contribute to cross-sector actions to tackle child labour issues and unacceptable working conditions in the raw materials supply chain” says Crets.

“We invite all suppliers and stakeholders along the value chain to collaborate with us in order to obtain sustainable sourcing of raw materials,” concluded Crets.

About Drive Sustainability

Drive Sustainability is a partnership of 10 leading automotive companies that work together to improve sustainability in the supply chain. Starting with 2012, its members have assessed over 20,000 suppliers in more than 100 countries and engaged over 1500 suppliers in capacity building initiatives. Over 40 training sessions have been conducted in 10 countries. Drive Sustainability operates under strict anti-trust policies.

About the Responsible Mica Initiative

The Responsible Mica Initiative is a Do-Tank which aims, within the next five years, at eradicating child labour and unacceptable working conditions in the Indian mica supply chain by joining forces across industries.

About CSR Europe

CSR Europe is the leading European business network for Corporate Social Responsibility. Through its network of around 45 corporate members and 41 National CSR organisations, it gathers over 10,000 companies, and acts as a platform for those businesses looking to enhance sustainable growth and positively contribute to society. In its mission to bring the CSR agenda forward, CSR Europe goes beyond European borders and cooperates with CSR organisations in other regions across the world

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