

#DriveSustainability

DRIVE SUSTAINABILITY PROGRESS REPORT

DRIVING CHANGE SINCE 2013



ABOUT DRIVE SUSTAINABILITY

I. ABOUT DRIVE SUSTAINABILITY

Drive Sustainability is an automotive partnership with the following **Lead Partners** - BMW Group, Daimler AG, Scania CV AB, Volkswagen Group, Volvo Cars, Volvo Group - and the following **Partners** - Ford, Honda, Jaguar Land Rover, Toyota Motor Europe. The Partnership, facilitated by CSR Europe, aims to drive sustainability throughout the automotive supply chain by promoting a common approach within the industry and by integrating sustainability in the overall procurement process.

“The Drive Sustainability partnership allows automotive companies to have one common voice towards their supply chains and engage with the relevant stakeholders on topics related to sustainability. Together, we look for higher efficiency and – ultimately – impact.” – Stefan Crets, Executive Director, CSR Europe, facilitator of Drive Sustainability.

II. LOOKING BACK – DRIVING CHANGE SINCE 2013

Having started informal discussions in 2007, the partners of Drive Sustainability formalised into a group in 2011. Always operating under strict anti-trust rules and in compliance with competition law, the group focused first on alignment of tools and on building trust amongst members. This was a crucial basis for cooperation, which resulted in an increasingly [ambitious common set of activities following](#) the 2013 establishment of the European Automotive Working Group on Supply Chain Sustainability. Amongst the first milestones of the group was the launch of the [Global Automotive Sustainability Guiding Principles \(Guiding Principles\)](#) in collaboration with the Automotive Industry Action Group (AIAG), which have become the basis of all subsequent activities.

Building on these growing years, the **Drive Sustainability Partnership** was publicly launched in 2017. The transition reflects Drive Sustainability's establishment as a global leadership initiative on sustainability, leveraging its common voice to promote standardization, cross-sectorial collaboration and impact focused solutions on supply chain sustainability.

III. 2018 – A YEAR OF STANDARDISATION

During 2018, the partnerships' activities focused on solidifying working processes within the group and on meeting the stakeholder expectations set out during the first stakeholder dialogue in autumn of 2017.

Beyond existing activities on compliance and capacity building, stakeholders expressed the need for a clear strategic direction, further harmonization across sectors and initiatives, impact-oriented activities in the field of [raw materials](#) and greater transparency.

In 2018, Drive Sustainability has doubled the [scope of its supplier trainings](#), extended [its suppliers assessment tool beyond Tier 1](#), launched a continuous [raw materials risk assessment study](#) under its [Raw Materials Observatory](#) and joined [multiple initiatives](#). Structurally, Drive Sustainability transitioned to a layered partnership with a weighted voting model to accelerate decision making processes and enhance impact. The publication of this Progress Report together with the commitment to biennial stakeholder consultations are a first step towards a more standardised stakeholder engagement and transparency. To further increase our impact, a more strategic approach and structuring of our activities remains pertinent.

IV. LOOKING FORWARD – 2030 STRATEGY

2019 is the year of consolidation and common positioning. But more importantly, it's the year of finding a long-term direction and ambition in the 2030 Strategy.

For this, two elements are essential: alignment with the internal ambitions of the partners and integration of stakeholder feedback. Therefore, the 2030 Strategy is being developed in a four-phase process.

During 2018, consultations with selected stakeholders and automotive companies took place. As a result, it became evident that ambitions and the working scope of Drive Sustainability needed to be increased to meet stakeholders' expectations. Subsequently, in February 2019, purchasing and sustainability leaders of the automotive companies convened to discuss stakeholder feedback, present opportunities for alignment with internal ambitions, and agree on common objectives. The partners decided to extend the working scope to a value chain approach, while also addressing sustainability challenges related to climate and circular use of resources through the Drive Sustainability partnership. The 2030 Strategy and its roadmap will be submitted to stakeholder feedback during Drive Sustainability's second stakeholder event on 14 May 2019, before being finalised and published in 2020.

V. ABOUT THIS REPORT

This Progress Report presents our development and milestones from 2011 to date in a qualitative form, but it doesn't report on nor introduce a consistent set of targets and key performance indicators. The reason is that until 2017, the partnership worked on setting, testing, and fine-tuning the principles and tools for further collaboration. With the formalisation into Drive Sustainability, the necessity to set clear strategic directions and targets has become central and will be translated in the 2030 Strategy. Meanwhile, we believe that it is essential to take the time to align with all parties involved and to take our external stakeholders' feedback into account. Nevertheless, we hope you enjoy reading our report while we keep working on further deepening of our reporting. You can visit our [website](#) for upcoming announcements.

Please note that the Progress Report does not reflect the individual developments and actions of the automotive companies. These are included in their individual Annual and/or Sustainability Reports. The next Drive Sustainability Progress Report will be issued in 2021.

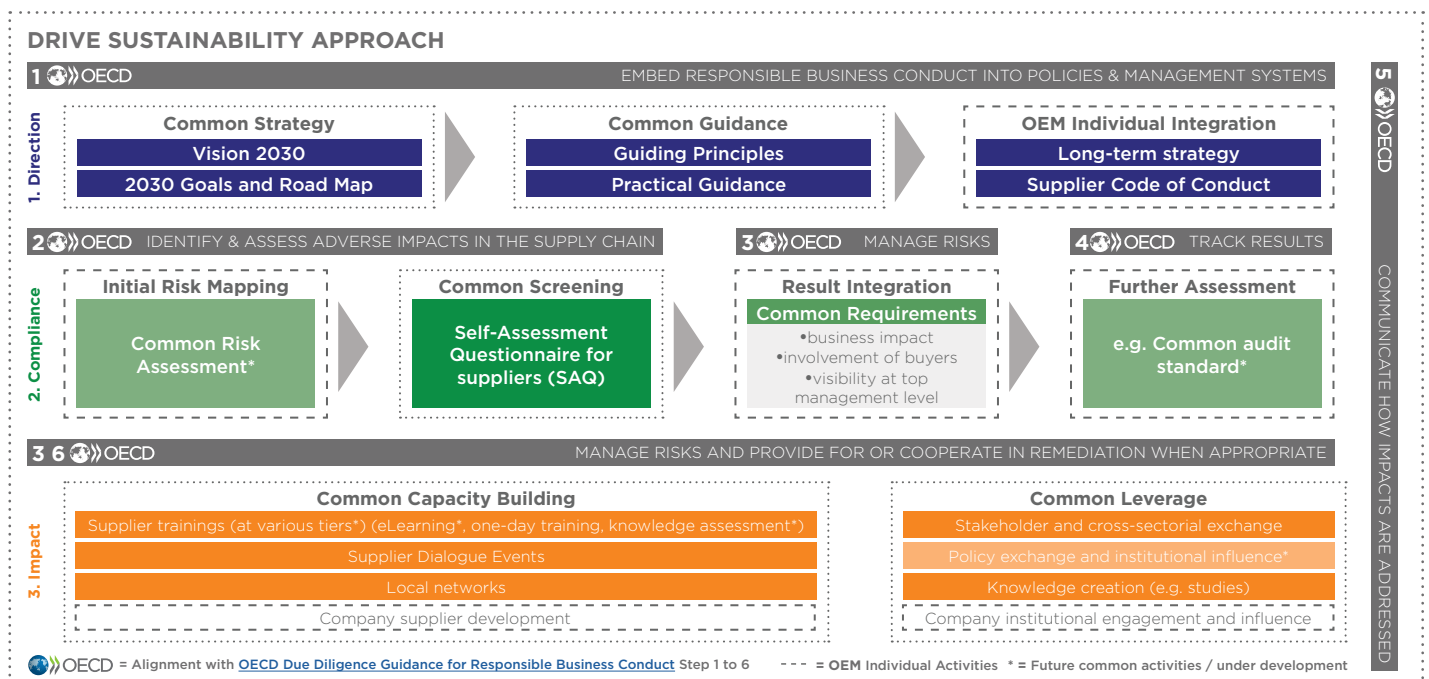
ABOUT DRIVE SUSTAINABILITY	2	COMPLIANCE	7
OUR APPROACH	3	IMPACT	10
GOVERNANCE & STAKEHOLDERS	4	FOCUS ON: RAW MATERIALS	13
DIRECTION	6		



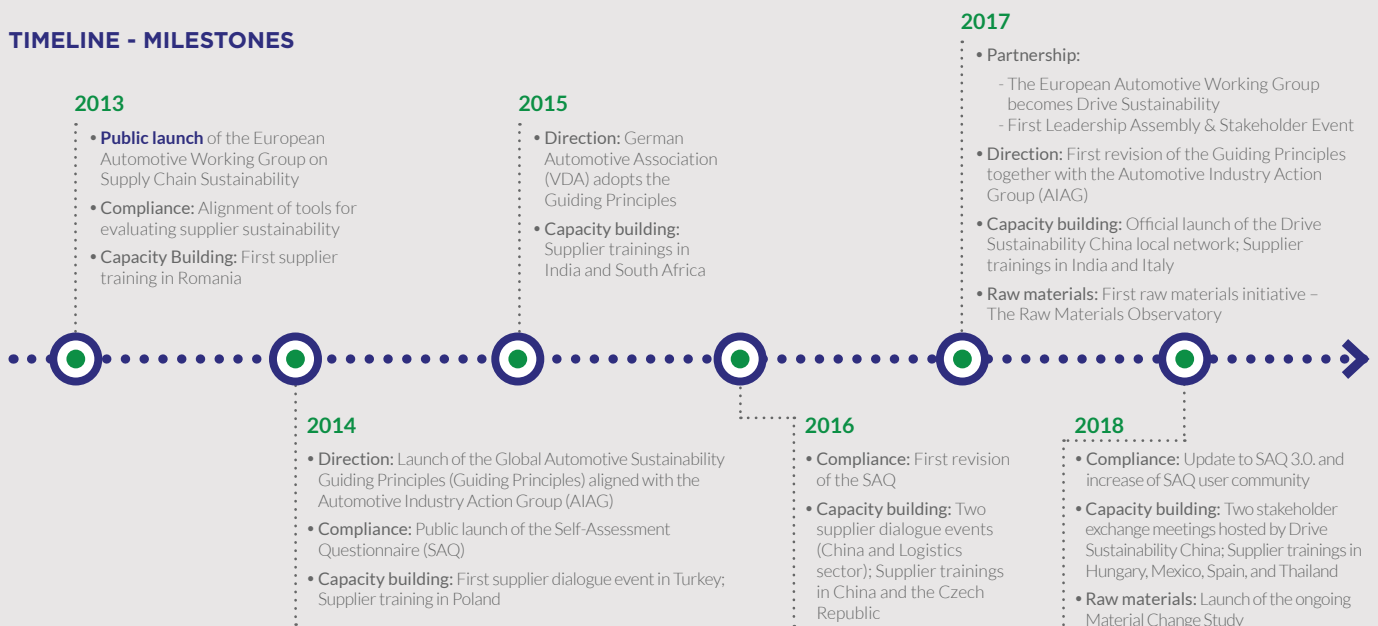
OUR APPROACH

I. OUR APPROACH

The Drive Sustainability approach consists of 3 core workstreams, with the workstream on "Direction" being the foundation of all other activities. The Drive Sustainability approach is aligned with the OECD Due Diligence Guidance for Responsible Business Conduct.



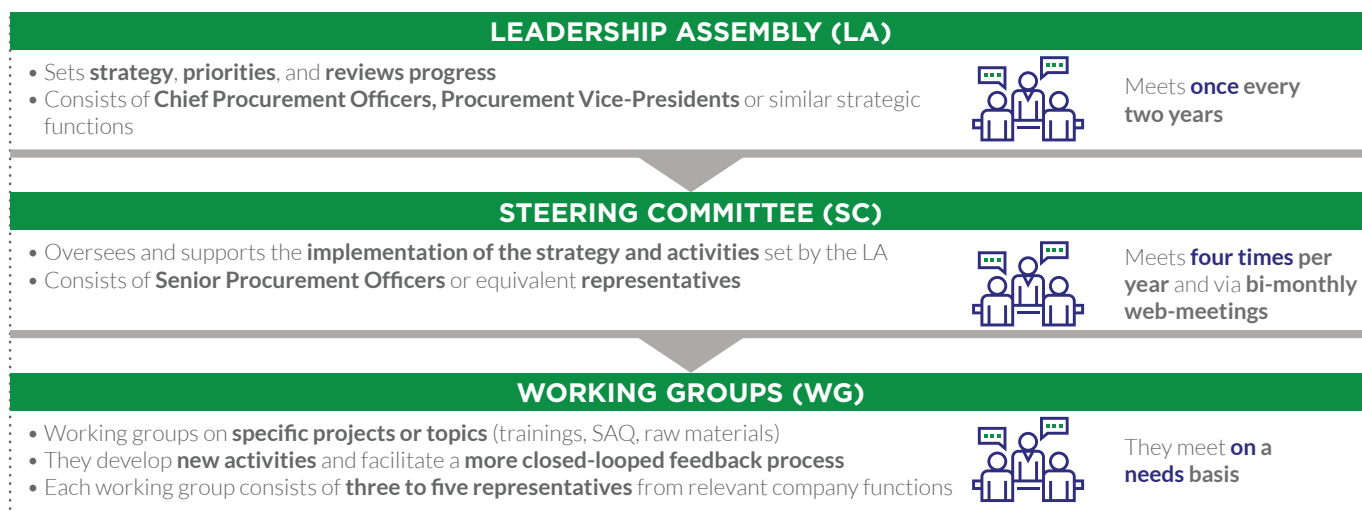
TIMELINE - MILESTONES



GOVERNANCE AND STAKEHOLDERS

I. GOVERNANCE STRUCTURE

Drive Sustainability is **governed by two central bodies**, the **Leadership Assembly** and the **Steering Committee**. The partnership is facilitated by [CSR Europe](#). CSR Europe is the leading European business network for Corporate Social Responsibility.



II. PARTNERS

Drive Sustainability has a layered partnership model consisting of lead partners, partners, and participants. Drive Sustainability companies make a collective commitment to shape a sustainable automotive supply chain for the automotive industry. Their Partnership is based on a similar approach on supply chain sustainability, on correct implementation and on integration in business processes.

The **Lead Partners**, as the main drivers of the initiative, commit to push the industry towards excellence and to lead sustainability progress in the automotive value chain. Lead Partners fully support and implement the Drive Sustainability approach in their own business processes.

The contribution of each partner is vital for the success of the Partnership. Only by joining forces and by collaborating can Drive Sustainability have a long-term impact. Currently, Drive Sustainability has **six lead partners** and **four partners**. Companies can also engage as Participants, which allows them to use the tools and services developed by the Lead Partners and Partners of Drive Sustainability, without making any specific commitment.

LEAD PARTNERS:



DAIMLER

SCANIA

VOLKSWAGEN
ARTIFICESELLSCHAFT

VOLVO
Volvo Group

VOLVO
Volvo Car Corporation

PARTNERS:



HONDA



TOYOTA

GOVERNANCE AND STAKEHOLDERS

III. BUDGET

The partnership fees for Drive Sustainability are **€40.000 for Lead Partners, €22.500 for Partners, and €10.000 for Participants**. The partnership fees cover the costs related to the continuous operation and development of Drive Sustainability. Additional to this yearly operations budget, there is a services budget covering the costs related

to the various activities run by Drive Sustainability (trainings, events, activities on the ground etc.). Each year the automotive companies decide in which activities to take part and allocate the funds accordingly. The **total budget for 2019**, including both operational and services budgets, is around **€630.000** as allocated below.



2019 DRIVE SUSTAINABILITY BUDGET (IN %)

Communication	4%	
Stakeholder engagement	6%	
Capacity building	56%	
Compliance	8%	
Raw material	9%	
Admin, strategy, monitoring	17%	

IV. TRANSPARENCY AND STAKEHOLDER ENGAGEMENT

Sustainability can **only be achieved through close collaboration** of automotive companies, suppliers, and other stakeholders. We seek to regularly communicate about our progress and to engage with stakeholders.

As its first significant move towards transparency and engagement, Drive Sustainability hosted its first official Stakeholder Consultation Event in 2017 to be held every two years. Additionally, information on Drive Sustainability is shared through the automotive companies' sustainability reports and websites.



ENGAGEMENT

- **Drive Sustainability comment function** provides a direct channel of communication for stakeholders
- **Informal meetings and calls** are set at the request of stakeholders
- **Targeted consultations** are conducted with stakeholders on specific topics such as the Drive Sustainability 2030 Strategy
- **Stakeholder consultation events** take place on a bi-annual basis and focus on getting stakeholder input on Drive Sustainability's strategic direction, existing and future activities



TRANSPARENCY

- **Drive Sustainability website** and news page provide regular updates
- **Drive Sustainability two-yearly newsletter** reports on key activities of the past six months and announces upcoming events and opportunities to engage with Drive Sustainability
- **Drive Sustainability progress report** reports on KPIs and targets as defined in the context of the 2030 Strategy on a bi-annual basis from 2020 onward
- **Drive Sustainability events participation** allows the automotive partners and Drive Sustainability staff to share our progress and engage with stakeholders

DIRECTION



Our common Direction is set by our [Strategy](#) and by the Global Automotive Sustainability Guiding Principles. These serve as the basis and framework for all activities implemented by Drive Sustainability.

PROGRESS AGAINST MILESTONES

A. GLOBAL AUTOMOTIVE SUSTAINABILITY GUIDING PRINCIPLES AND PRACTICAL GUIDANCE

The Global Automotive Sustainability Guiding Principles ([Guiding Principles](#)) outline our expectations for suppliers on key responsibility issues, including **human rights**, **environment**, **working conditions**, and **business ethics**. The Guiding Principles, the foundation for all our activities, are:

- **Based on fundamental principles** of social and environmental responsibility;
- **Global in nature** and **compliant with local laws** and **international expectations**;
- **Complemented by** individual sets of codes and policies of the Original Equipment Manufacturers (OEMs);
- **Periodically revised**.

The Guiding Principles are **complemented by the** [Practical Guidance](#), which provides practical explanations and examples on how to comply with the expectations set out in the Principles.



MILESTONES TO DATE

Global guidelines for the automotive sector

The Guiding Principles were **first published in 2014** in collaboration with Automotive Industry Action Group (AIAG). **In 2015**, the German Automotive Association (VDA) has **adopted** the Guiding Principles **as the official industry standard**. The Principles also found **recognition in the Chinese Supply Chain** since the launch of Drive Sustainability China **in 2017**. The Principles are **periodically reviewed** to make sure they align with the latest expectations and stay globally relevant.

FUTURE OBJECTIVES

Solidify the Guiding Principles as the global automotive industry guidelines by achieving alignment with leading global and local automotive industry associations in Asia, Latin America, and Africa.

ABOUT DRIVE SUSTAINABILITY	2	COMPLIANCE	7
OUR APPROACH	3	IMPACT	10
GOVERNANCE & STAKEHOLDERS	4	FOCUS ON: RAW MATERIALS	13
DIRECTION	6		



COMPLIANCE



The Drive Sustainability Compliance Process **assesses organisational adherence** of automotive suppliers **to international regulations and standards in the area of sustainability**, such as the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises, and to the expectations of the OEMs shaped by the Drive Sustainability Guiding Principles. The Compliance Process was developed to:

- **Create transparency** in global and complex supply chains;
- **Assess supplier sustainability performance** as a basis for further improvement;
- **Establish standardised and efficient mechanisms** to reduce individual OEM requests towards their suppliers.

PROGRESS AGAINST MILESTONES

A. INITIAL RISK MAPPING AND FURTHER ASSESSMENT



FUTURE OBJECTIVES

In order to correctly embed sustainability into the procurement process, Drive Sustainability has to strengthen its activities on standardisation and process integration. Thus, in 2019, Drive Sustainability plans to develop a common view on risk assessment and auditing, further developing and strengthening our standardised Compliance Process.

B. COMMON SCREENING: THE SELF-ASSESSMENT QUESTIONNAIRE (SAQ)

To assess the Corporate Social Responsibility (CSR) and the sustainability performance of automotive suppliers, Drive Sustainability developed a common Self-Assessment Questionnaire (SAQ) focusing on social and environmental accountability, business ethics and compliance, and supplier management. The SAQ is globally applicable for all suppliers including sourcing, manufacturing, assembly, retail, and service providers.

MILESTONES TO DATE

Increased SAQ usage

The SAQ was **publicly launched in 2014**. Every two years, the automotive partners and suppliers are consulted to revise the content and structure of the questionnaire. This is a great opportunity to adjust the mechanisms to the evolving trends and standards to clarify the ambiguities, and to add new focus elements and trending topics.

The current SAQ version, **SAQ 3.0**, was **launched in 2018**. The SAQ 3.0 is available in **9 languages**: English, Mandarin Chinese, French, German, Italian, Japanese, Spanish, Russian, and Turkish. Czech and Portuguese will follow soon. Among others, it includes the usage of 3TGs, the Carbon Disclosure Project (CDP) scope, and stronger focus on internal KPI's and internal communication of policies. More details can be found [here](#).

To date, over **25,000 suppliers** have been assessed in more than **100 countries**¹. Almost 88% of the suppliers who completed an SAQ more than one time have improved their score.

FUTURE OBJECTIVES

In 2018, Drive Sustainability developed a structural approach to engage with suppliers and supplier associations in order to receive their feedback on the SAQ. We will continue to work closely together with them to finalise the SAQ 4.0 with the aim of making the assessment tool more useful and comprehensive for automotive companies and its suppliers.

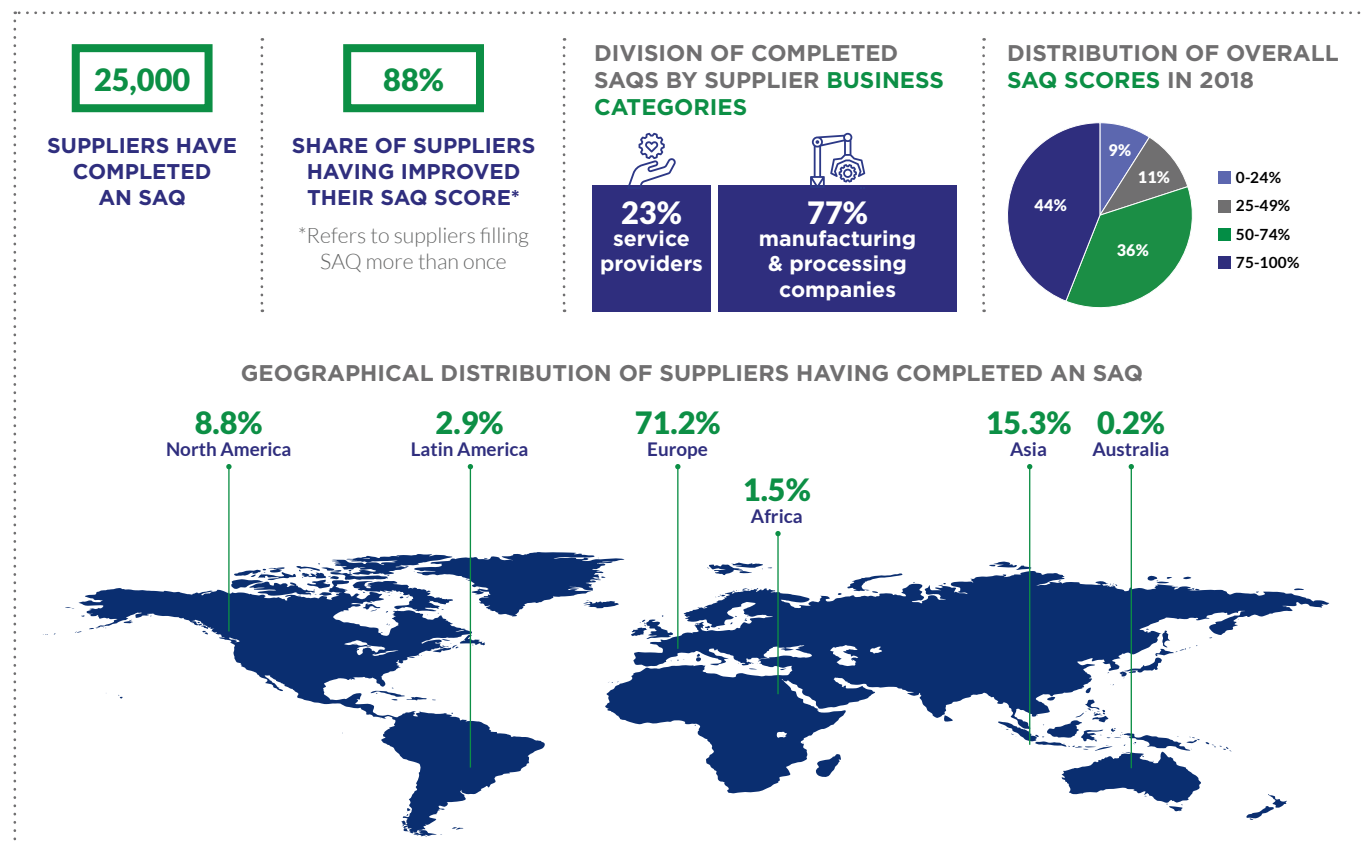


¹Based on the data from 8 OEMs

COMPLIANCE



In 2018, more than 8.000 suppliers (roughly 30% of the total) completed the questionnaire. See below the scores, the sector distribution, and the geographical spread.



MILESTONES TO DATE

SAQ standardisation

All Drive Sustainability partners use the SAQ as **one of their main tools** to assess supplier sustainability performance. For the assessment, the automotive partners collaborate with two platform providers:

- **NQC:** BMW Group, Daimler, Ford, Honda, Scania, Toyota Motor Europe, Volkswagen Group, Volvo Cars, Volvo Group
- **Achilles:** Jaguar Land Rover

On the different technical platforms, suppliers are asked to respond to the SAQ only once and can share it with all buyers using the same platform.

From 2017 to 2018, Drive Sustainability conducted a pilot project with Tier 1 suppliers who are not only respondents to the SAQ but can also use the questionnaire to assess their own supply chain. In the meantime, Drive Sustainability received requests from automotive companies that are not partners of the initiative, but have expressed interest in using the SAQ. To increase the usage of the SAQ and allow the onboarding of suppliers and automotive companies, Drive Sustainability developed an SAQ user model for buyers.

The SAQ user model **sets out specific conditions** to use the questionnaire and the related technical platforms and presents a systematic approach to create transparency and assess supplier sustainability in the automotive supply chain.

FUTURE OBJECTIVES

As of 2019, the SAQ user model will be **officially rolled out on data platforms**. By doing so, we strategically **increase supplier assessments beyond Tier 1** and **enhance supply chain transparency**. Until today, 13 Tier 1 suppliers and 2 other automotive companies joined the SAQ model to assess their own supply chains. We aim to **increase the user community of the SAQ** as well as increase the number of completed questionnaires. Opening up the user model of the SAQ strengthens its positioning as the leading global sustainability questionnaire used in the automotive industry.

ABOUT DRIVE SUSTAINABILITY	2	COMPLIANCE	7
OUR APPROACH	3	IMPACT	10
GOVERNANCE & STAKEHOLDERS	4	FOCUS ON: RAW MATERIALS	13
DIRECTION	6		

COMPLIANCE



SAQ USAGE MODEL FOR BUYERS:

Roles	Tier 1 suppliers	Automotive companies (not members of DS)	Drive Sustainability*
Rights	<ul style="list-style-type: none"> ☑ Usage of SAQ & technical platform ☑ Option to provide feedback and change requests to Drive Sustainability 	<ul style="list-style-type: none"> • Usage of SAQ & technical platform • Option to provide feedback and change requests to Drive Sustainability • Permission granted via license fee** 	<ul style="list-style-type: none"> • SAQ copyright owner • Usage of SAQ and technical platform • Option to make changes to the SAQ and the platform • Decision on direction
Responsibility	<ul style="list-style-type: none"> ☑ Sharing of experience and suggestions for improvement 	<ul style="list-style-type: none"> • Sharing of experience and suggestions for improvement • Payment of annual license fee to use SAQ and technical platform 	<ul style="list-style-type: none"> • Development and revision of SAQ • Development and improvement of technical platform • Development of a suitable model for all users

Supplier SAQ and cost sharing throughout the different user groups

* In this case Drive Sustainability stands for a separate sub group within Drive Sustainability using the technical platform

** An annual license fee that grants Automotive companies (which are not part of Drive Sustainability*) permission to use the SAQ and technical platform



IMPACT



Improvement and impact can only be achieved by working with local stakeholders and suppliers to build capability and by finding shared solutions with other sectors and initiatives. Hence, the impact work stream summarizes two activity areas, focused on **capacity building** and **leveraging of a common voice** respectively.

I. CAPACITY BUILDING

PROGRESS AGAINST MILESTONES

A. TRAINING

MILESTONES TO DATE

2.200 suppliers trained in 12 countries since 2013

Drive Sustainability first launched its one-day supplier trainings in 2013. Initially covering one country a year, the roll-out has become more strategic in 2018 with the commitment to cover a minimum of 5 countries and 800 suppliers annually. Training attendance is funded by the participating automotive companies and free of charge for the suppliers.

Our objective is to help suppliers understand the Automotive Guiding Principles, explore, and discuss key local sustainability challenges and how to best address these. Localisation, a workshop style training format, and the focus on best practice analysis allow for a practical learning experience.

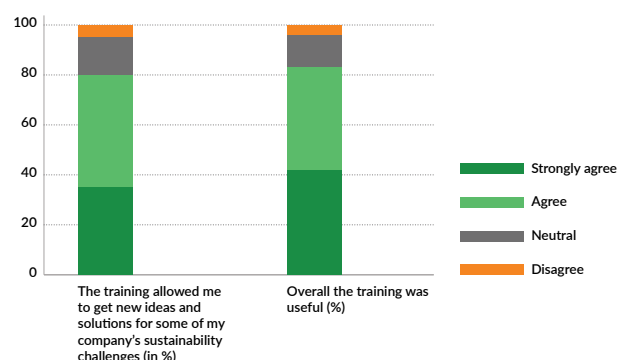
If you are interested in learning more about our training model, local sustainability challenges, and solutions identified in each training country, please consult the [2018 Training Report](#) published in collaboration with our training implementation partner Deloitte.

Nevertheless, our training model faces limitations in reach and scope. Our trainings have only covered a fraction of the Tier 1 supplier base. Another challenge is group heterogeneity with both experienced and newcomer trainees. Furthermore, the lack of impact assessment needs to be addressed. The current model will be revised in 2019.

FUTURE OBJECTIVES

Drive Sustainability aims to increase the reach and impact of its capacity building by implementing an integrated training offer including a modular e-Learning meeting various learning needs, face-to-face trainings, and knowledge assessment by 2020. An impact assessment and training extension beyond Tier 1 are also under development.

2018 TRAINING PARTICIPANT SURVEY



TO DATE,
59 TRAINING SESSIONS
WERE CONDUCTED IN
12 COUNTRIES:

- Romania
- Poland
- South Africa
- Spain
- India
- China
- Czech Republic
- Mexico
- Turkey
- Italy
- Hungary
- Thailand

ABOUT DRIVE SUSTAINABILITY	2	COMPLIANCE	7
OUR APPROACH	3	IMPACT	10
GOVERNANCE & STAKEHOLDERS	4	FOCUS ON: RAW MATERIALS	13
DIRECTION	6		



IMPACT



B. LOCAL NETWORKS

MILESTONES TO DATE

Established one local network in China

Sustainability challenges are similar across regions. However, **countries have specific issues, distinct market outlooks, and socio-economic contexts**. We are aware that a long-lasting impact and the best solutions can only be developed at a country or regional level itself with the key local stakeholders engaged and working together on a regular basis.

Thus, **seven of Drive Sustainability's partners, BMW, Daimler, Jaguar Land Rover, Scania, Volvo Cars, Volvo Group and Volkswagen, have together set up a local network in China in 2017.**

FUTURE OBJECTIVES

- In response to feedback received during the [automotive-supplier dialogue event](#) in November 2018, Drive Sustainability China has set the following priorities for 2019:
 - **Enhance knowledge sharing and awareness raising** by holding two annual exchange events, **translating Drive Sustainability knowledge tools** and **increasing communication activities**
 - Develop a **common localised risk assessment tool**
 - Develop a **group mission and targets** in conjunction with Drive Sustainability's 2030 Strategy
- Standardise our approach** to local networks and explore how and where additional local networks could contribute to our activities.

LEARN MORE ABOUT DRIVE SUSTAINABILITY CHINA

Why China?

- **Government focus:** China's pressing sustainability issues are a focus of governmental authorities, increasingly putting responsibility with the private sector
- **Impact potential:** Leading the development of 11 sectors and providing 4 million direct jobs, the automotive industry plays an influential role in China's sustainability transition

Objectives

- **Localisation:** Translate Drive Sustainability's global strategy and tools with local stakeholders at the local level
- **Capacity Building:** Enhance alignment and capacity for sustainability across the industry
- **Antenna:** Share experiences, monitor, and identify local sustainability trends and issues

Local facilitation

- **GoldenBee:** [GoldenBee CSR Consulting](#) locally facilitates the Chinese local network and ensures close cooperation with local stakeholders

Milestones since 2017

- **Localisation:** Operational Implementation of the partnership in China and localisation of supplier training model
- **Capacity building:**
 - implementation of four supplier training sessions with 140 suppliers
 - one [Industry Exchange Meeting](#) and one [QEM – Supplier Exchange Event](#), engaging over 50 stakeholders

IMPACT



C. SUPPLIER DIALOGUE EVENTS

MILESTONES TO DATE

Annual dialogue events in 3 countries

Drive Sustainability regularly holds dialogue events on various topics with suppliers and sector associations to **develop a common understanding** and a view towards shared challenges. These dialogues are **essential in shaping our approach and in developing new tools and activities**. Drive Sustainability has organised multiple dialogue events in locations, such as Turkey, China, and Germany. For instance, in 2016, Drive Sustainability started a [dialogue](#) with inbound and outbound logistics suppliers to discuss challenges such as living wages, health & safety, attractiveness of the sector to young people. Thanks to this first step, the logistics sector, supported by the automotive companies and facilitated by CSR Europe, is now building up an initiative to tackle the above-mentioned issues. Moreover, in 2018 two dialogue events in China discussed [cross-sectoral approaches to local supply chain challenges](#) and [possibilities for cascading sustainability beyond Tier 1](#) respectively.

FUTURE OBJECTIVES

Drive Sustainability plans to **intensify the frequency of supplier dialogues** and is considering the possibility of moving towards a more structural engagement and exchange model.



II. LEVERAGE

Drive Sustainability's partners recognise the power of leveraging their common voice by seeking collaboration, standardisation and shared knowledge creation within their sector as well as towards other sectors, initiatives, stakeholders, and policymakers.

MILESTONES TO DATE

As first activities under the leverage workstream, Drive Sustainability has decided to partner with [raw materials initiatives](#) and develop [common positions](#) on expectations towards a set of priority raw materials. Please see the section on raw materials for more details.

FUTURE OBJECTIVES

For the future, Drive Sustainability plans to increase alignment on due diligence tools as well as favour cross-sectoral solutions for impact at all stages of the supply chain.



ABOUT DRIVE SUSTAINABILITY	2	COMPLIANCE	7
OUR APPROACH	3	IMPACT	10
GOVERNANCE & STAKEHOLDERS	4	FOCUS ON: RAW MATERIALS	13
DIRECTION	6		



FOCUS ON: RAW MATERIALS



A coordinated approach amongst automotive companies towards raw materials is a perfect opportunity to come together and share a common platform for how to look at some of the very important aspects of sustainability.

However, the biggest obstacles in setting strategies for responsible sourcing are:

- access to reliable data and analysis on the environmental and social dimensions of material production;
- the complexity and lacking transparency upstream.

To address this, Drive Sustainability has developed the **Raw Materials Observatory**, a standardised process aimed at developing a common approach and toolbox to understand and assess impacts, risks as well as opportunities for collective action. Given the complexity of the above challenges, the Raw Materials Observatory is an integrated approach that goes from setting common expectations to finding tools to assess risks and taking action for impact.

PROGRESS AGAINST MILESTONES

A. THE RAW MATERIALS OBSERVATORY

MILESTONES TO DATE

The Raw Materials Observatory was launched in 2017 and aims to:

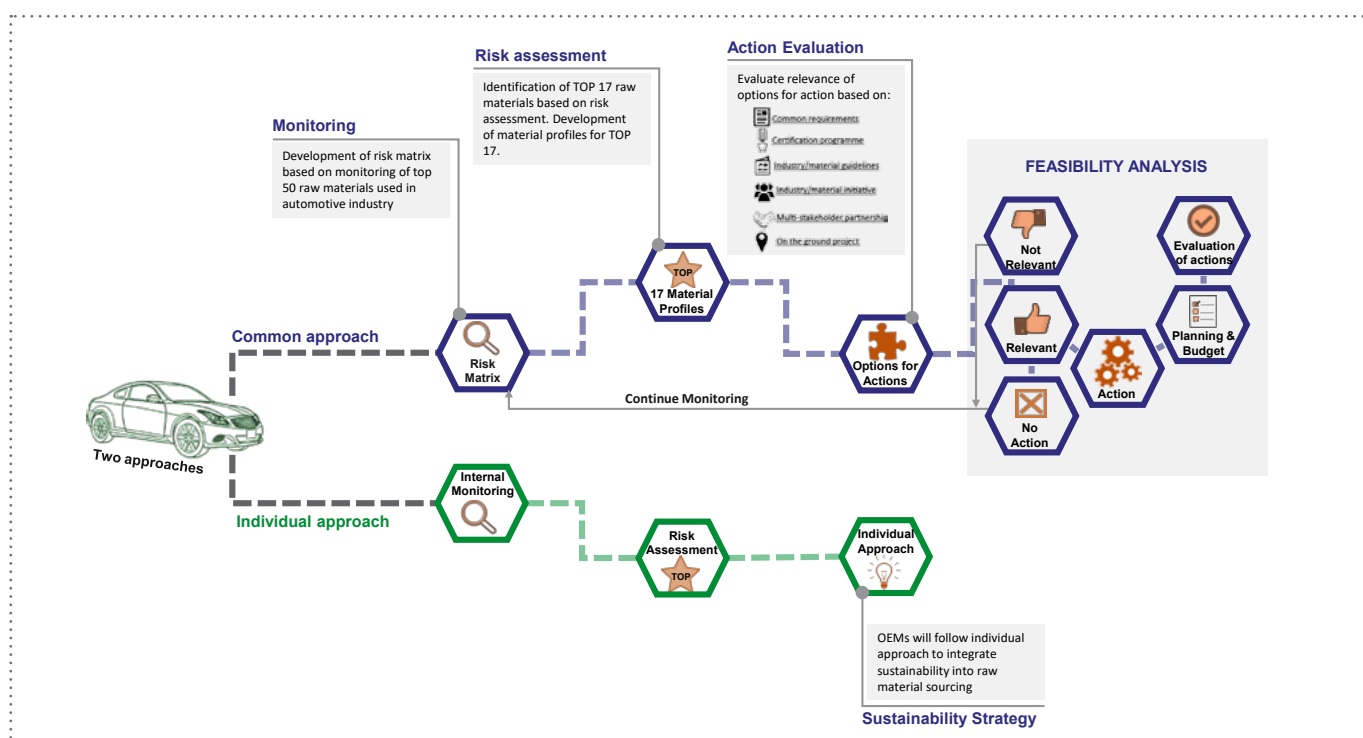
- **identify ethical, environmental, human, and labour rights risks** in raw materials sourcing for the automotive sector;
- **identify opportunities for collective actions** of Drive Sustainability's partners to tackle the issues spotted;
- **prioritise action and engagement.**

The Raw Materials Observatory is the umbrella for all our activities on raw materials.

FUTURE OBJECTIVES

Drive Sustainability is seeking avenues to create a cross-sectoral platform to share updates on raw materials profiles, allowing for continuous monitoring, higher efficiency, and better alignment.

Another near future objective is to further solidify the actions in the field, as the impact of the activities done thus far is still limited. Based on the experience and learnings gathered, Drive Sustainability intends to improve its approach and look for ways to engage with and support projects which enhance the impact on communities at the source and increasing transparency of upstream supply chains.



FOCUS ON: RAW MATERIALS



B. MATERIAL CHANGE REPORT

MILESTONES TO DATE

Drive Sustainability, in collaboration with the Responsible Minerals Initiative (RMI), commissioned a risk assessment study from The Dragon Fly Initiative in 2018. The result of this analysis has been published in the [Material Change](#) report, that lists the **37 raw materials commonly used in the automotive and electronic industries** based on their importance for the industry and associated environmental, social, and governance risks.

FUTURE OBJECTIVES

An update of the 2018 version is planned in 2020 with the longer -term ambition to set up a system of continuous monitoring for raw materials in the automotive supply chain.

C. PARTNERING WITH RAW MATERIALS INITIATIVES

MILESTONES TO DATE

Drive Sustainability joins European Partnership for Responsible Minerals (EPRM)

In 2019, Drive Sustainability joined the [European Partnership for Responsible Minerals \(EPRM\)](#) as a regular member. In alignment with the EPRM, Drive Sustainability's action will focus on metals such as tin, tantalum, tungsten, and gold, also known as 3TG minerals. In particular, we will support projects via calls for proposals and other tools of strategic financing. As a result, miners will be supported first-hand in the adoption of responsible practices thanks to strengthened links between partners along the supply chain.

Drive Sustainability joins Global Platform on Sustainable Natural Rubber (GPSNR)

In 2019, Drive Sustainability has joined the [Global Platform on Sustainable Natural Rubber \(GPSNR\)](#) as an affiliate member to contribute to the initiative's effort to improve the socio-economic and environmental performance of the natural rubber value chain. Joining this platform reflects the importance of the automotive sector as a key actor in the natural rubber value chain and the commitment of Drive Sustainability to collaborate to achieve sustainable procurement of materials.

FUTURE OBJECTIVES

Drive Sustainability and Responsible Minerals Initiative further collaboration:

RMI and Drive Sustainability are looking to leverage the [Risk Readiness Assessment](#) (RRA) platform to better assess Environmental, Social, and Governance (ESG) risks and awareness at smelters and refiners level, and, based on the results, identify areas for e-learning and training. This will allow the two organisations to provide tailored support to local context according to most critical risks identified.



D. COMMON GUIDANCE

MILESTONES TO DATE

Drive Sustainability is working to develop public common positions on expectations towards a set of priority raw materials and use them to engage with relevant initiatives and projects.

FUTURE OBJECTIVES

In the future Drive Sustainability plans to develop more common positions for priority raw materials as a basis for taking more action in this field.

Way forward

This report is only a first step in our journey to greater transparency and target-oriented reporting. In 2020, the launch of the Drive Sustainability 2030 Strategy will kick-off a decade of more influential activities and a broader working scope, correlated with a more structured impact measurement and reporting approach. The next progress report will be issued in 2021. Meanwhile, we invite you to visit the [Drive Sustainability website](https://drivesustainability.org) and to subscribe to the [newsletter](#) to receive updates about our activities, progress and results.

drivesustainability.org

drive
sustainability

