

# AUTOMOTIVE INDUSTRY RELEASES UPDATED GUIDING PRINCIPLES TO ENHANCE SUPPLY CHAIN SUSTAINABILITY

The revised Guiding Principles offer more expansive and thorough guidance on the latest industry expectations for sustainability.

**BRUSSELS, June 21, 2022** – The Automotive Industry Action Group (AIAG) and Drive Sustainability today released the updated version of the “[Automotive Industry Guiding Principles to Enhance Sustainability Performance in the Supply Chain](#),” the reference document for suppliers that aims to address the latest trends and industry expectations on supply chain sustainability.

AIAG and Drive Sustainability, BMW Group, Daimler Truck, Ford Motor Company, General Motors, Honda, Jaguar Land Rover, Mercedes Benz, Nissan, Scania, Stellantis, Toyota Motor Europe, Volkswagen Group, Volvo Cars, and Volvo Group all participated in this most recent revision of the 2014 document, as well as its initial update in 2017. Both then and now, this extraordinary alignment between automakers was the result of a need to address critical issues impacting today’s industry, and to speak with a unified voice on the importance of a sustainable, ethical supply chain.

Honda Development & Manufacturing of America, LLC (HDMA) Business Unit Lead Mike Lapham explains: “Sustainability matters beyond individual companies and the forward-thinking Guiding Principles speak to the industry’s commitment, collaboration and continued necessity to speak with one voice across the automotive supply chain.”

AIAG Director of Corporate Responsibility and Supply Chain Products & Services, Tanya Bolden, elaborates: “Recent and emerging legislative mandates, coupled with the ongoing complexity of today’s global supply chain, make these revisions to the Guiding Principles more vital than ever. In moving from a more aspirational tone and approach to one that better highlights current industry expectations and guidelines, we have created more thorough guidance to support supplier partners at all tiers.”

The revised Guiding Principles now include sections on circularity, carbon neutrality, animal welfare, biodiversity, land use and deforestation.

François Dossa, Executive Director, Strategy and Sustainability, Jaguar Land Rover explains: “Sustainability sits at the heart of our Reimagine strategy and is an integral part of our vision of Modern Luxury. As part of our journey to Net Zero by 2039 and aligned to our Science-Based Targets initiative goals by 2030, we are proud to have played a vital role alongside other partners in updating the Automotive Guiding Principles. We know that collaborating with world leaders and experts in their fields is the way to drive real change within the industry across the entire ecosystem, from manufacturers to suppliers.”

As a companion piece to the Guiding Principles, the supplementary “[Global Automotive Sustainability Practical Guidance](#)” has also been updated to better reflect current practicalities and legalities of meeting these industry expectations.

Executive Director of CSR Europe, Stefan Crets, facilitator of Drive Sustainability concludes: “The engagement between automotive companies and their suppliers becomes a real force for the

sustainability transformation. This is enforced by the increased attention for a due diligence approach by legislators that also includes a proactive way of tackling issues. The release of the new Guiding Principles and Practical Guidance is part of Drive Sustainability's enhanced commitment to sustainability. We are happy to collaborate with AIAG and its members to put the basis of a global automotive strategy on supply chain sustainability. This is the foundation to strengthen Drive Sustainability impact-oriented activities like the Raw Material Outlook, the training offer to suppliers and other change-oriented work".

Additional resources from both AIAG and Drive Sustainability also help companies of all sizes meet sustainability performance expectations. AIAG tools and training include free online courses and assessments – e.g., the [Supply Chain Sustainability eLearning](#) and [Supply Chain Sustainability Knowledge Assessment](#) – along with additional options for AIAG members. In support of the same industry goals for the social and environmental performance of the supply chain, Drive Sustainability also offers an integrated approach, providing direction via common standards and guidance, common tools for data collection and transparency – including the [Self-Assessment Questionnaire](#) and [Raw Materials Outlook](#) – and other [supplier trainings, e-Learning](#), and [supplier engagement](#) resources.

[Click here](#) to download the newly revised Global Guiding Principles and supplementary industry Practical Guidance.

## **ABOUT AIAG**

[The Automotive Industry Action Group \(AIAG\)](#) is a unique not-for-profit organization where automakers, suppliers, service providers, government entities, and individuals in academia have worked collaboratively for nearly 40 years to drive down cost and complexity within the supply chain. Now comprised of more than 4,000 companies in over 70 countries, AIAG membership includes leading global manufacturers, parts suppliers, and service providers.

## **ABOUT DRIVE SUSTAINABILITY**

[Drive Sustainability](#) is the partnership facilitated by CSR Europe and bringing together 11 leading automotive companies that work together to improve sustainability in the supply chain. Building on more than 10 years of collaboration, the members have assessed over 40,000 suppliers and engaged over 3000 suppliers in training activities. In 2020 the partners launched their long-term strategy and widened their work scope to address the four key sustainability challenges sustainable raw material sourcing, workforce wellbeing, carbon neutral supply chains and circular value chain. Drive Sustainability operates under strict anti-trust policies.

## **ABOUT CSR EUROPE**

[CSR Europe](#) is the leading European business network for Corporate Sustainability and Responsibility. With our corporate members, National Partner Organisations (NPOs), and Associated Partners, we unite, inspire & support over 10,000 enterprises at local, European, and global level. We support businesses & industry sectors in their transformation and collaboration towards practical solutions and sustainable growth. We are for systemic change. Following the SDGs, we want to co-build with the European leaders and stakeholders an overarching strategy for a Sustainable Europe 2030.