



# Collaboration for greener, more sustainable supply chains: Drive Sustainability & Responsible Trucking

Dr. Heike Schulze, July 8, 2020



# Sustainable Supply Chains under COVID 19

- Disruption of supply chains, logistic restraints
- Limited sales leading to economic pressure
- High supply volatility and fragility
- Higher focus on local production and suppliers
- New safety, distancing and PPE requirements in production
- Stronger focus on resilience, agility and automation



# INCREASING EXPECTATIONS ON SUSTAINABLE SUPPLY CHAINS

Innovation/Mobility



Legislation

Raw Materials/  
Resource Preservation

Pressure builds on China's raw materials supply chains: Andy Home



Climate/Carbon

How is the auto industry addressing climate change?

Automotive World looks at the ways in which automakers and suppliers are responding to climate change  
© June 9th, 2020

Working Conditions

Responsible Sourcing Goes "Beyond Compliance" to Include Commitment to Worker Wellbeing



Transparency

Ford pushes for supply chain transparency in cobalt mining using IBM blockchain technology

Ford is preparing to use blockchain technology to trace supplies of cobalt — a key ingredient for electric car batteries — in a bid to clamp down on lab...

Commissioner Reynders announces EU corporate due diligence legislation

APR 30, 2020 / BY ECCJ



Mobility package: Transport Committee backs deal with EU Ministers

Press Releases [TRAN](#) 22-01-2020 - 12:01

- Clear rules on posting of drivers
- Better enforcement to fight illegal practices
- Improved rules on drivers' rest times

Technology

Amazon needs its workers more than ever, giving them leverage to push for safer warehouses

As deliveries from the e-commerce giant become an essential service, big labor is helping warehouse employees press for better working conditions

# Challenges for companies

- Urgency to keep supply chains running, and to meet traditional KPIs (delivery, cost, quality,...)
- Complexity of sustainability issues in supply chains
- How to link innovation and sustainability?
- How to be compliant to legislation?
- Limited Resources & Knowledge
- Environmental, social and governance elements can not be considered separately



# Collaborative platforms

Share knowledge, resources, cost – and create impact

Two examples:

**Drive Sustainability**



**Responsible Trucking**



# Drive Sustainability

**Purpose and ambition:** drive sustainability throughout the global automotive supply chain by:

- ✓ **Integrating** sustainability in the overall procurement process
- ✓ **Improving** both its own performance and that of its supply chain
- ✓ Sending a **common message** to suppliers
- ✓ Acting as strong promoter of **standardisation** and harmonization of supply chain approaches
- ✓ **Collaborating** with actors across the value chain
- ✓ Developing a **common approach** towards sustainable raw materials that goes beyond due diligence and focuses on impact on the ground

## Lead Partners:

**BMW  
GROUP**

**DAIMLER**

**VOLKSWAGEN**  
AKTIENGESELLSCHAFT

**SCANIA**

**VOLVO**  
Volvo Car Corporation

**VOLVO**  
VOLVO GROUP

## Partners:

**FCA**  
FIAT CHRYSLER AUTOMOBILES



**HONDA**

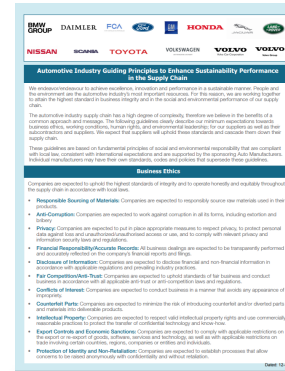


**TOYOTA**

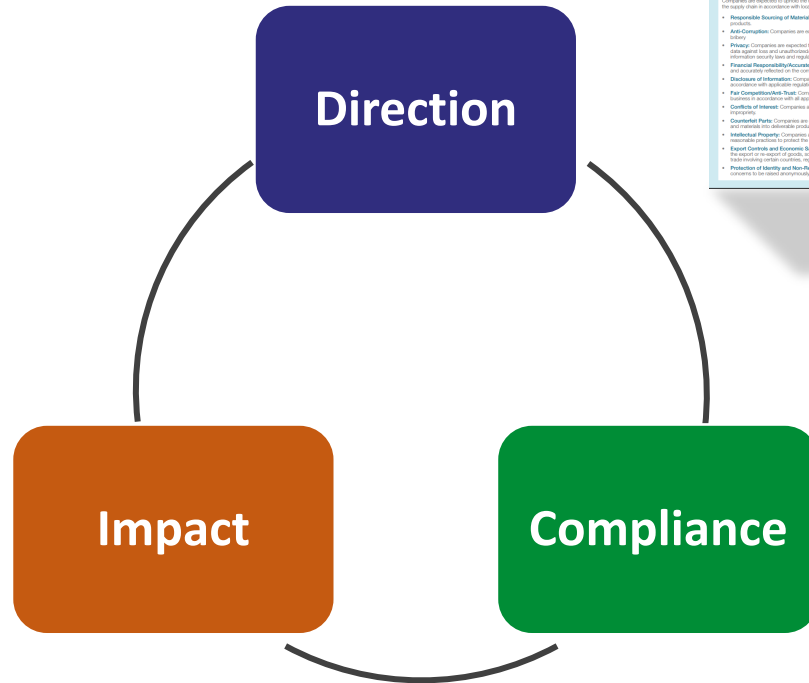


# Drive Sustainability – Our Integrated Approach

## Guiding Principles

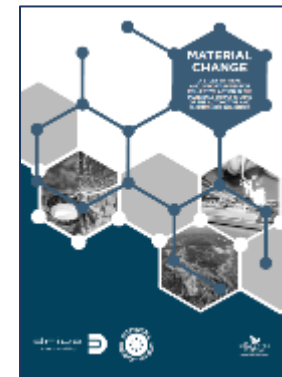


## Strategy



## Self-assessment questionnaire (SAQ)

## Raw Materials Risk assessment



## Supplier Trainings



# Drive Sustainability Strategy

## 11 Leading Global Automotive Companies Widen their Common Strategy to address key sustainability challenges together with suppliers

**The mission:** Enhance sustainability throughout the automotive industry by leveraging a common voice and by engaging with suppliers, stakeholders and related sectors on impactful activities



### SUSTAINABLE SUPPLY CHAINS Collaborate to enhance supplier sustainability

#### AMBITIONS



#### SUSTAINABLE RAW MATERIALS

Source raw materials sustainably



#### WORKFORCE WELLBEING

Aim to ensure employees in our supply chain are treated well and empowered



#### CARBON NEUTRALITY

Strive towards a carbon neutral supply chain



#### CIRCULAR VALUE CHAIN

Promote circular use of resources in our value chains

#### PRINCIPLES

Stakeholder Engagement

Transparency

Leveraging Best Practices





# Drive Sustainability – Supplier involvement

## Drive + Associated Partners



### Learning & Sharing

Learning on **specific topics**, e.g. circular economy, carbon neutrality

- Webinars (4/year)
- Resource center/knowledge base (e.g. section of DS website)

#### **Best practice sharing:**

- Workshops (per year 1-2)



### Dialogue

Information at **first hand**:

- Update after each DS SC meeting (CSR E & 2 OEMs)
- Consultation Workshops upfront & update after (e.g. standard endorsement, SAQ cascading)



### Service & Tools

Use SAQ & supplier trainings at **DS conditions**

- SAQ supplier user group
- Supplier Trainings: Consultation for the planning & participation



# Responsible Trucking



Currently the transportation and logistics industry has no common social guidelines in place.

As a result, **social sustainability** is not addressed in a standardized manner which poses a considerable risk for logistics companies and their customers.

It is therefore important to establish a clear set of expectations towards suppliers for the sector to ensure greater alignment and ultimately better working conditions for truck drivers.



# Responsible Trucking - Aim



The Responsible Trucking platform consists of three workstreams with the ambition to **improve the working conditions** of European truck drivers.

- 1 Standards:** CSR Europe facilitates the discussion and drafting of common industry standards for all partners and their suppliers in order to align the industry on important areas of concern e.g. working hours or pay.
- 2 Compliance:** CSR Europe will develop a common spot-check audit tool for all Partners to check the level of compliance of suppliers.
- 3 Capacity Building:** CSR Europe organises capacity building events for Partners to improve their level of maturity on select topics e.g. driver facilities.



# Responsible Trucking - Our partners



Volkswagen



**Raben**

**XPO**Logistics



DAIMLER



**VOLVO**  
Volvo Group

**VOLVO**  
Volvo Car Corporation

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Thank you!