

ENVIRONMENTAL, SOCIAL & GOVERNANCE RISK ASSESSMENT SOLUTION

How to efficiently identify the environmental and social risks along the supply chain of the automotive industry?

More than ever, ESG criteria have to be met in the automotive industry

The automotive industry is in 7th position out of 34 in the ESG Sector Risk Atlas*

ENVIRONMENTAL SUSTAINABILITY, PRIMARY SOURCE OF FOCUS TO DATE

“Greenhouse gas accounting is the biggest challenge for ESG reporting in the automotive industry. Scope 3 emissions from the value chain estimated to account for more than 90% of automakers’ greenhouse gas [...]. Most OEMs fall behind in reporting on Scope 3**.”

SOCIAL CONSIDERATIONS ARE INCREASINGLY GAINING MOMENTUM

“Rating sensitivity to social risks could become more relevant over the longer term.”

GOVERNANCE ISSUES REQUIRE SPECIAL ATTENTION: THEY CAN AFFECT A COMPANY’S LONG-TERM FINANCIAL PERFORMANCE AND SUSTAINABILITY

“Companies with strong governance practices are more likely to be transparent, accountable, and responsive to stakeholder concerns.”

The ESG requirements are not thoroughly addressed.

Self-assessment is not enough to ensure that companies are fully compliant on environmental and social issues: the declarative approach does not reflect the reality on the ground.

Addressing social compliance issues is failing: almost 2/3 of automotive suppliers ESG reports are neglecting the social criteria***

World leader in Quality management services for the automotive industry, TRIGO is now taking over the ESG audits of your suppliers

*2019 ESG Sector Risk Atlas, S&P Global Ratings,

https://www.spglobal.com/_media/documents/ratingsdirect_esgindustryreportcardautosandautoparts_41534471_may-15-2019.pdf

** Daato, ESG reporting challenges in the automotive industry

*** 2021 study from Bianchi Public Relations.

A COMPREHENSIVE ON-SITE AUDIT TO ASSESS SUPPLIERS' RISKS

DOMAINS OF ASSESSMENT

5 environmental categories:

- Water
- Energy
- Carbon
- Hazardous materials
- Waste and Recycling

5 social categories:

- Health & Safety
- Employment status
- Child Labour
- Forced Labour
- Discrimination, Inhumane behaviour

3 governance categories:

- Ethics and Policies
- Management Practices & Processes
- Economic value

EASY AUDITING PROCESS

- No self-assessment to be performed by suppliers prior to onsite audits.
- Entire assessment conducted in the field.
- List of consulted documents provided in advance for maximum efficiency on the day of the onsite audit.

DELIVERABLES

- Global risk assessment score
- Detailed list of the ESG risks identified during the audit.
- Main areas for improvement, to build an effective action plan

WHY TRIGO FOR THIS SERVICE?

AN EXPERTISE IN SYSTEM & PROCESS AUDITS

TRIGO performs 250 system and process audits at suppliers annually. The auditing & consulting expertise is already mastered by TRIGO's auditors who have undergone thorough training on the assessment, identification and reporting of both environmental and social issues within the ESG framework.

TRIGO's auditors can combine a quality system and/or process audit with an ESG risk assessment at your supplier.

A STRONG AUTOMOTIVE TRACK RECORD

TRIGO is the world leader in outsourced quality services for the automotive industry.

In a constantly evolving sector, **TRIGO has been supporting its automotive clients for 25+ years** with a dual objective: combining excellence in the quality of the services provided with constant innovation to adapt to its customers' needs.

A GLOBAL PRESENCE ALL OVER THE WORLD

TRIGO's auditors are present in 25+ countries to assess your suppliers directly on their production sites. They cover 550 automotive sites, 90 final assembly plants across 4 continents.

TRIGO is able to provide local resources, close to your suppliers, speaking their language.

This proximity enables audits that respond to the specific issues of the suppliers' location.



For more details, please contact:

Attila VASS

Global Director, Consulting & Engineering

M. +36 30 536 2002

E. attila.vass@trigo-group.com

trigo-group.com

