

In 2022, industry became subject to significant ESG (environmental, social, governance) legislation and regulation. The AIAG Corporate Responsibility Steering Committee (CRSC) and our member companies have spent a substantial amount of time and effort to address these mandates. The CRSC and other AIAG corporate responsibility (CR) volunteer groups resumed our face-to-face meetings to strategize plans for the next three years to advance our direction for the future.

Vision:	The auto industry is an Environmental, Social, and Governance
	(ESG) leader.
Mission:	Align the ESG Core Values, as stated in the Automotive Guiding
	Principles, and cascade throughout the automotive industry
	and its supply chain.

Throughout the year the steering committee actively coordinates with AIAG's CR programs to align our activities. AIAG volunteer groups continue to be the driving force behind the achievement of their specific objectives.

Strategies:	Proactively identify/prioritize issues, needs and trends
	<ul> <li>Engage with other peer organizations to align activities,</li> </ul>
	solutions, and objectives
	<ul> <li>Promote and provide direction and alignment with the ESG</li> </ul>
	Core Values

Each year we publish a scorecard to provide a transparent analysis of our progress to our objectives. It highlights our achievements as well as those areas where we need to improve.

### **RESULT KEY**

**ACHIEVED** 

80% - 100%

**ADEQUATE** 

50% - 79%

**NEEDS HELP** 

0% - 49%



Assessment Criteria	Actual Score	Weight	Calc. Score	Result	
Increase our awareness of Human Rights issues and processes to identify relevant issues		25%	74%	ADEQUATE	
<ul> <li>1.1 Support the Human Rights Work Group to develop strategies</li> <li>Monitor EU regulatory escalation</li> <li>Align with other Human Rights study conclusions (IASJ/CHRB/etc) – address salient risks</li> </ul>	ory escalation man Rights study conclusions (IASJ/		Improvement Plan: Business case was approved and the Forced Labor/ Human Rights work group is actively meeting. Risks		
1.2 Implement strategies and capacities to assist the automotive industry for improvement	25	35%		have been identified, strategies to address are being determined.	
2. Define Responsible Sourcing		25%	75%	ADEQUATE	
2.1 Investigate methods to map the Automotive Supply Chain	75	60%		Improvement Plan: Monitoring solution providers developing supply chain mapping	
2.2 Focus on alignment and efficiencies in determining ESG high-risk points in the supply base	75	40%		tools. Reviewed requirements of EU conflict minerals legislation for alignment. Working with partners to facilitate access to information needed to comply with extended requirements.	



Assessment Criteria	Actual Score	Weight	Calc. Score	Result	
3. Increase H&S priority		25%	49%	NEEDS HELP	
3.1 Implement the business case for this new Advisory Group	75	60%		Improvement Plan: Business Case written however resource	
<ul><li>3.2 Support the H&amp;S Advisory Group</li><li>Assist in recruiting membership"</li></ul>	10	40%		availability prevented implementation. Support not provided for work group.	
4. Escalate Carbon Reduction as a priority		15%	100%	ACHIEVED	
4.1 Develop applicable strategies (Scope 3, SBT, Renewable Energy, LCA's, Carbon Neutrality Strategy)	100	100%		Improvement Plan: Developed strategies, published definitions in cooperation with partners, webinars conducted. However, the take rate on the education and tools is not where the group wants it to be.	
5. Monitor progress of Work/Advisory groups to ensure we are aware of progress, needs, completion		5%	100%	ACHIEVED	
5.1 Recognize and provide feedback, positive/constructive	100	75%		Improvement Plan: Quarterly report outs from the working groups	
5.2 Provide needed resources when requested	100	25%		continue to maintain two way communication. Resource requests have been supported by member companies.	



Assessment Criteria	Actual Score	Weight	Calc. Score	Result	
6. Communicate with the broader supply base, on an established cadence		2.5%	85%	ACHIEVED	
6.1 Synthesize/disseminate information gathered by work groups	100	25%		Improvement Plan: AIAG is taking advantage of additional methods of communication through social media and marketing. Website	
6.2 Cascade information to the supply base on tools & resources available	75	60%			
6.3 Understand needs of the supply base to inform work group activities (e.g., survey, town hall, newsletter communications, etc.)	100	15%		further improved. Some training tools have been delayed due to support. 1 virtual & 1 hybrid conference, Webinars, Expert speaker series, F2F meetings.	
7. General		2.5%	50%	ADEQUATE	
7.1 Review Vision, Mission and Objectives	100	50%		Improvement Plan: Rewrite to align with Global Guiding Principles and New AIAG Leadership Direction. Charter and Standing Agenda updated to align with Global Guiding Principles and stated Objectives.	
7.2 Review Charter and Standing Agenda	100	50%			
Total score		100%	72%	ADEQUATE	