

Faurecia Uses Ratings to Align Supplier Sustainability With Core Values and Drive Performance: A Case Study



Faurecia is a global leader in automotive technology, providing innovative solutions within its four strategic businesses: Faurecia Seating, Faurecia Interiors, Faurecia Clarion Electronic and Faurecia Clean Mobility.

€ 17,5 Billion
2018 Sales

122,000
Employees

1 in 3 Vehicles
in the world equipped with Faurecia technology

OBJECTIVES, DRIVERS AND CHALLENGES

Acting Responsibly to Create Long-Term Value

To support its business goals, Faurecia wanted to expand its commitment to sustainability across the supply chain.

Stakeholders' growing expectations brought more recognition within the company. This, in turn, created eagerness to deploy a full CSR-monitoring program.

Responding to an urgent need to reduce long-term costs and devise better strategies for mitigating risks, Faurecia mobilized an action plan to engage suppliers more deeply.



By acting responsibly, we wanted to create long-term value for all of our stakeholders. In 2012, we decided to spread our beliefs and values across the supply chain. We decided to look for a third-party company, an expert in sustainability, to support us in this task.

A Structured Framework Lays the Foundation for Change Management



Before deploying the program, Faurecia set out to align on its sustainable procurement commitments, taking into account the company vision and core values. It also looked into regulatory requirements and industry leaders' approaches to similar challenges.



Faurecia built a global framework to help the company successfully transition to the new sustainability mode. This framework helped to translate the company vision into a rigorous code of conduct for supply chain and sourcing. It also defined KPIs, communication guidelines and a method for integrating the new sustainability requirements into existing processes and toolkits.



The company made CSR assessments a mandatory requirement in the sourcing processes. It also uses CSR clauses in contracts with suppliers and conducts annual supplier reviews.



To help buyers engage with their suppliers Faurecia created a special Buyer Toolkit.



Faurecia partnered with EcoVadis to assess its strategic suppliers. Supplier sustainability KPIs are fully included in the Purchasing Strategic Plan and monthly reporting.



Faurecia trained Buy Beyond Champions in each region of the world to support its purchasing organization and to develop supplier CSR capabilities.

Faurecia's sustainable procurement training was organized in four phases: Sustainability Advanced Training, EcoVadis Platform Advanced Training, International Norms Training and Internal Faurecia HSE Training. After these four phases, the Buy Beyond Champions receive a diploma, recognizing their skills and engagement in the sustainability program.





Buy Beyond SQD Advanced

- Ensure sustainability of Buy Beyond through Champions in SQD network
- Introduce to sustainability/Buy Beyond
- Outline Business Benefits/Stakeholders mapping
- Integrate purchasing processes/EcoVadis assessment
- Overview Reaction Guidelines



EcoVadis Platform Advanced Including CAP Management

- Demonstrate advanced knowledge, usage and management of EcoVadis Tool
- Demonstrate in-depth understanding of Methodology/Score/evidence
- Demonstrate how to communicate and discuss EcoVadis scorecard with a supplier
- Know how to prioritize and manage the progress
- Work on Corrective Action Plan (CAP) with suppliers



International Norm Training

- Demonstrate advanced knowledge of international norms, and:
- ISO 14000 Environmental Norm
- OHSAS 18001 Labor Practices and Human Rights
- ISO 26000 Social Responsibility



Faurecia HSE Training Module

- Demonstrate sustainable business through HSE attitude
- Have knowledge of environmental requirements
- Being able to coach suppliers and teams

RESULTS

Steady Supplier Engagement

44.9

Average Score

~400

Number of Assessed
Companies in 2015

~2,000

Number of Assessed
Companies in 2019



Sustainability reporting is fully included in Faurecia's KPIs and monthly reviews. As Faurecia assesses suppliers, the KPIs are adjusted to match their sustainability maturity levels.

In the first year, Faurecia tracked the number of onboarded suppliers. In the second year, it tracked the percentage of spend coverage. And, in the third year, Faurecia made sustainability a mandatory requirement for allocating business with suppliers.

“ Faurecia has focused its technology strategy on providing solutions for the Cockpit of the Future and Sustainable Mobility. We believe that acting responsibly is key to ensuring sustainable development for future generations. Sustainability, respect, innovation and partnership are key concepts embedded in Faurecia's DNA.

Why EcoVadis?



Provides necessary CSR expertise to address an international supply chain working in multiple countries and languages.



Delivers customized questionnaires relevant to the supplier industry, size and location.



Covers the pillars of ISO 26000 and other relevant international standards.



We wanted to find a partner that was recognized by our customers and using assessments based on the three pillars of sustainability, defined by ISO 26000.

About EcoVadis

EcoVadis is the world's most trusted provider of business sustainability ratings, intelligence and collaborative performance improvement tools for global supply chains. Backed by a powerful technology platform and a global team of domain experts, EcoVadis' easy-to-use and actionable sustainability scorecards provide detailed insight into environmental, social and ethical risks across 198 purchasing categories and 155 countries. Industry leaders such as Faurecia, Johnson & Johnson, Verizon, L'Oréal, Subway, Nestlé, Salesforce, Michelin and BASF are among the more than 55,000 businesses on the EcoVadis network, all working with a single methodology to assess, collaborate and improve sustainability performance in order to protect their brands, foster transparency and innovation, and accelerate growth. Learn more on ecovadis.com, [Twitter](#) or [LinkedIn](#).

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