



COATINGS CASE STUDY:

Progress and Process to Date

Covestro and Steelcase
Forum June 2017



Coating case



Steelcase

Coatings
case

End Product of
Steelcase

- Wooden table top

- Proposed by
 - Covestro (polyurethane coatings)
- Purpose:
 - Waterborne- vs solventborne
 - Focus on social benefits (health and others – less PPE) for the worker using solvent free coating
 - Steelcase: also well-being of end-user (if time)
 - Include rest of the supply chain as well
- Participants
 - Covestro and Steelcase



Process overview

Initiated by Covestro during call for case studies

- Proposed a study on coatings
- Included a furniture manufacturer as the end user, as well as a middle supply chain partner

Several meetings to finalize the goal and scope

Steelcase will send the questionnaire using SupplyShift to Covestro

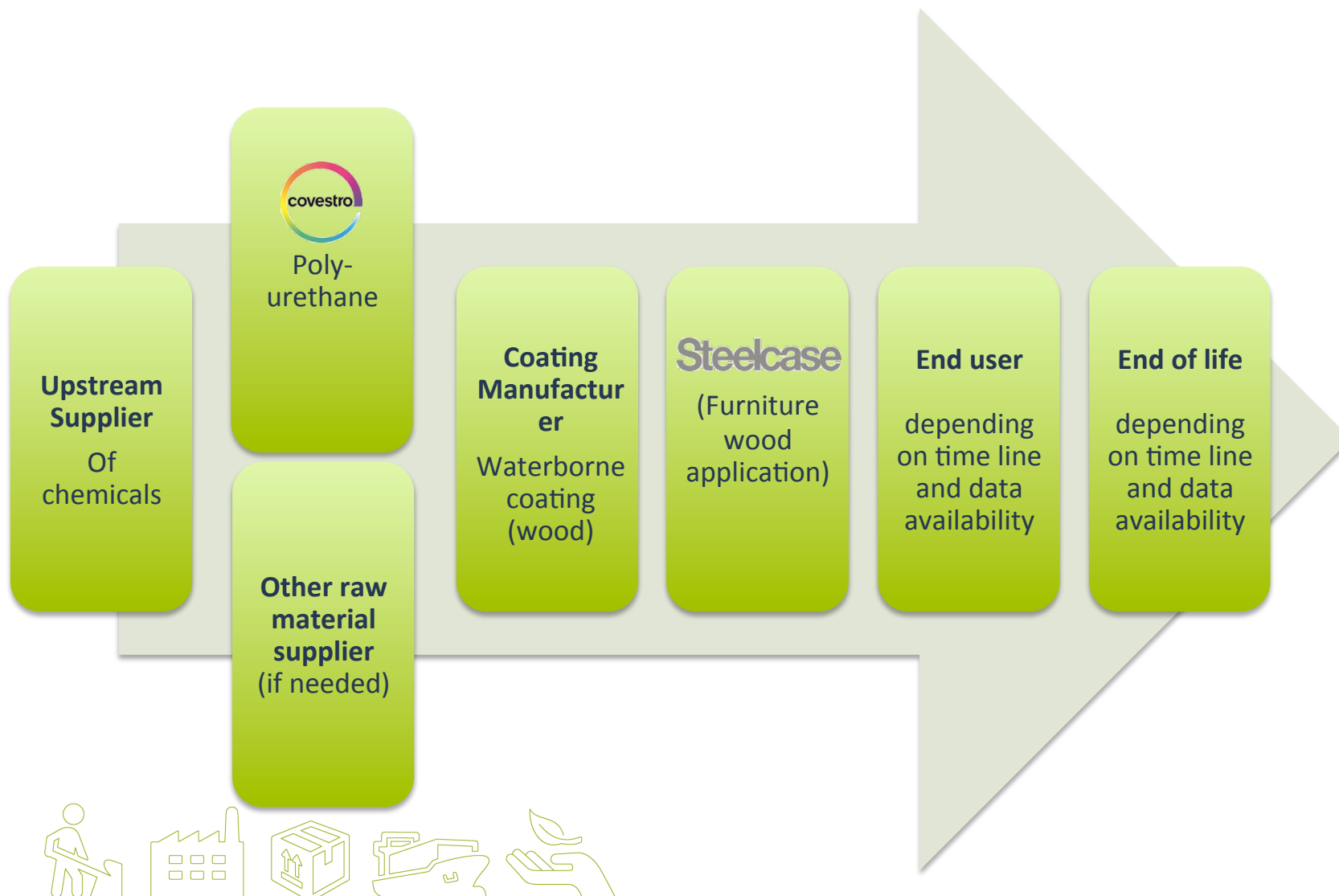


Goal and scope

- Hands-on understanding of methodology in Handbook for new members
- Potentially use in internal and external communications
- Understand social impacts of new coating technologies to guide product development for development of more sustainable solutions
- Testing the supply shift tool



Goal and scope



Geographic Scope (Example)

	Supply Chain	Manufacturing	Assembly/ Application	Use Phase	End of use
Product Component	Poly-urethane	waterborne coating (wood)	Wooden particle board Desk top	Work surface for office environments	Used work surface
Sector	Chemical	Chemical			
Country	EMEA	EMEA	EMEA	EMEA	EMEA
Member	Covestro	External Partner	Steelcase	Steelcase/ customers	Steelcase/ Steelcase Eco'Services



Stakeholder Groups

Group	Stakeholders	Most material topics (gathering data for all topics is planned)
Workers	Covestro, external customer, and Steelcase workers	<ul style="list-style-type: none">• Health & Safety• Social Benefits• Job Satisfaction and engagement
Consumers	Users of furniture with coating	<ul style="list-style-type: none">• Experienced well-being of user
Local Communities		<ul style="list-style-type: none">• Health & Safety• Employment



Methodologies adopted

- Scales-based approach
 - Focus on Qualitative for this study using SupplyShift tool
 - All social topics are considered

Performance Reference Points

- +2 ideal performance
- +1 intermediate positive performance
- 0 aligned with international standards
- 1 intermediate negative performance
- 2 non- acceptable performance



Data Collection Process

- Demoing SupplyShift in this case study
- Online platform to support data collection in the supply chain through multiple tiers

Smart Engagement Throughout Your Information Web



SupplyShift empowers your organization to get information from the supply chain at every tier, for tracking, compliance & continuous improvement








SupplyShift Scoring Configuration

PSM Scales
Based Assessment
in SupplyShift

SBQ 1.3: Labor (Social Benefits)

Q: Please select the following that applies:

A: Multiple Choice






Color	Pts	Answer
	2	All workers are paid at least the social benefits required by law, with $\geq 25\%$ of workers paid additional social benefits.
	1	All workers are paid at least the social benefits required by law, with $< 25\%$ of workers paid additional social benefits.
	0	All workers are paid the social benefits required by law.
	-1	$< 25\%$ of workers not paid the social benefits required by law.
	-2	$\geq 25\%$ of workers not paid the social benefits required by law.
-	0	No answer
-	0	Not applicable

☒ Required to qualify for overall rating ⓘ

SBQ 1.4: Labor (Worker Hours)

Q: Please select the following that applies:

A: Multiple Choice

Color	Pts	Answer
	2	Normal working week does not exceed legal limit or 48 hours for hourly workers. Overtime is voluntary and compensated at premium rate.
	1	Normal working week does not exceed legal limit or 48 hours for hourly workers. Overtime is voluntary but not compensated at premium rate.
	0	Normal working week does not exceed legal limit or 48 hours for hourly workers.
	-1	Normal working week exceeds legal limit or 48 hours for hourly workers in peak seasons only.
	-2	Normal working week regularly exceeds legal limit or 48 hours for hourly workers.



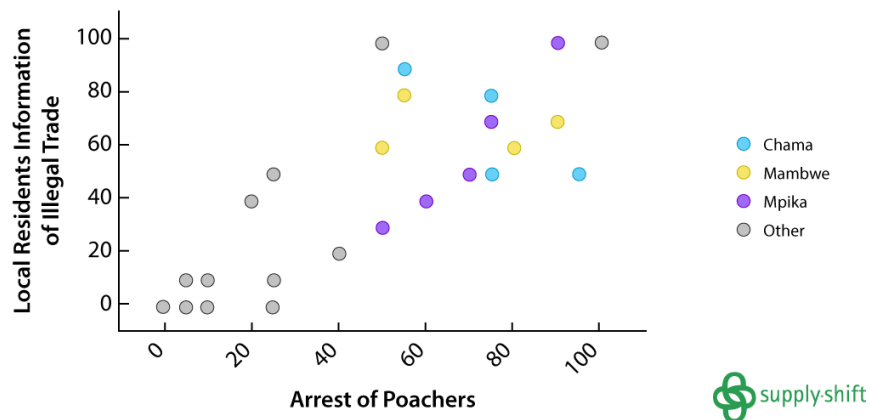
SupplyShift instant dashboard

The screenshot displays the SupplyShift dashboard interface. The top navigation bar includes the SupplyShift logo, a 'Product Social Impact Assessment' badge, and links for 'Guidance: ON', 'HELP', 'ACCOUNT', and 'LOGOUT'. The left sidebar contains a 'BUYER MENU' with 'Scorecard Library', 'My Suppliers', 'Comparisons', and 'Analytics', as well as a 'SUPPLIER MENU' with 'Scorecard Requests', 'Published Comparisons', and 'Published Analytics'. The main content area is titled 'My Comparisons / Test Report' and features a 'Compare Suppliers' tab. The report configuration includes: Name: 'Product Social Metrics Worker Stakeholder Report', Reporting period: 'All history' (with a 'Real Time Updating' checkbox), Groups: 'Product Social Metrics Food Industry Group, Product Social Metrics Chemicals Industry Group', Scorecards: 'Product Social Impact Assessment', Target: 'Product', Product category: 'Automotive Tires', Scoring algorithm: 'AUTOMATIC' (selected) and 'CUSTOM', and Data source: 'MY SUPPLIERS' (selected) and 'SUPPLYSHIFT NETWORK'. Below the configuration are 'Save' and 'Save as New' buttons. A green callout bubble points to the 'Real Time Updating' checkbox and the 'Wages' column in the table below, containing the text: 'Create dashboards to rate or rank any subset of suppliers on any indicator based on scoring algorithms'. The table shows a summary of scores for two suppliers across various indicators.

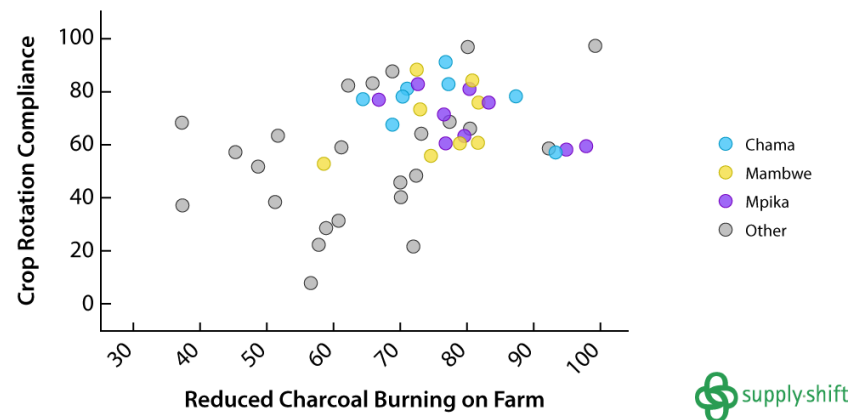
DQ	Name	Total	Health and Safety	Wages	Social Benefits	Working Hours	Child Labour	Forced Labour
●	Universal Supplier Tires	3	0	1	0	0	0	0
●	Product Metrics Supplier Goodyear Tires	2	0	2	0	0	0	0

Supply Shift

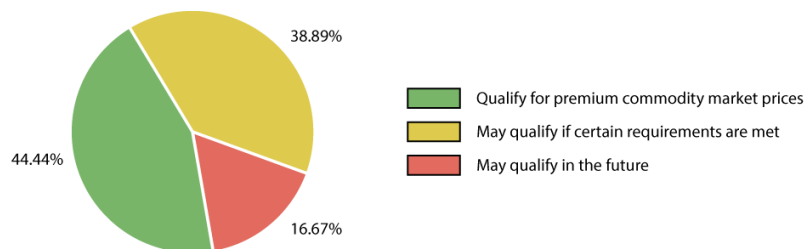
Correlation: Illegal Trade vs. Arrest of Poachers



Correlation: Compliance vs. Charcoal Burning on Farm



COMACO Premium Commodity Market Price Qualification



COMACO District/Chieftdom Performance Charts

DQ	District Chieftdom	Total	Agriculture	Community Leadership	Forestry	Wildlife	Elephants Poached
	Lundazi Chitungulu	56.15	58.81	71.23	79.42	71.29	0.00
	Lundazi Zumwanda	56.10	52.20	77.36	86.29	64.63	0.00
	Lundazi Chinunda	55.75	66.98	54.72	85.17	71.89	0.00
	Lundazi Chikwa	54.68	61.01	77.83	63.62	70.93	0.00
	Mambwe Nsefu	54.51	80.50	90.57	N/A	44.23	2.73
	Chipata Mbang'Ombe	54.09	80.66	81.60	N/A	N/A	0.00
	Lundazi Chikomeni	53.99	66.04	54.72	87.71	61.48	0.00

Next Steps

- Finalize questionnaire and send for data collection
- Create a network and get engaged with other companies for data generation
- ...

