Specification of Competency Standards
for the Automotive
Unit of Competency

Functional Area - Corporate Management

Title	Execute the Environmental, Social and Governance (ESG) for Automotive Companies
Code	111781L5
Range	This unit of competency is applicable to the practitioners of the management level : Practitioners should be able to execute a comprehensive ESG strategy that integrates environmental sustainability, social responsibility, and robust governance practices into the company's core operations, ensuring compliance with regulatory requirements and alignment with industry best practices.
Level	5
Credit	3 *(For Reference Only)*
Competency	**Performance Requirements** 1. Performance Requirement 2. Knowledge (Understanding ESG Principles and the Automotive Context) • Have a comprehensive understanding of the statutory requirements, industry codes of practice, and international standards related to ESG, such as ISO 14001, and evolving regulations like the EU's Corporate Sustainability Reporting Directive (CSRD), and vehicle conformity regulations. • Understand the comprehensive operational strategy, market position, and corporate image the enterprise aims to establish. • Have a good understanding of the ESG frameworks, policies, and systems established by vehicle manufacturers and key suppliers, including sustainability requirements for the supply chain. • Understand the principles of sustainability best practice, including the philosophy of prevention, reuse, reduce, and recycle (the waste hierarchy) and methods to reduce resource consumption (water, electricity, fossil fuels, chemicals). • Understand the characteristics and potential environmental impact of products, equipment, and hazardous materials used in the automotive workplace (e.g., oils, solvents, paints, refrigerants, batteries). • Understand the content and implications of risk assessment reports related to ESG issues. • Understand the key elements of the social component of ESG, including employee welfare, health & safety (OHS), diversity and inclusion, and community engagement. • Understand the principles of corporate governance as applied to ESG, including ethical conduct, transparency, data integrity, and compliance.

	3. Performance (Executing the ESG Strategy)
	• Environmental Management (E):
	  ◦ Implement and monitor environmental protection policies to ensure the enterprise meets statutory requirements, including the handling and disposal of chemical waste, waste oil, refrigerants, exhaust emissions, wastewater, and noise.
	  ◦ Apply and monitor sustainability best practices, including waste segregation, recycling, and identifying opportunities to reduce resource consumption.
	  ◦ Identify and prevent hazards to air quality, water systems, and land, including the correct use of spill kits and other safety equipment.
	  ◦ Undertake green procurement by taking into full consideration the environmental characteristics of products and the environmental management standards of suppliers when discharging purchasing duties.
	• Social Responsibility (S):
	  ◦ Assist with the management and monitoring of key social performance indicators such as employee health and safety, training and development, and diversity and inclusion.
	  ◦ Support the administration of employee grievance mechanisms and ensure compliance with relevant labor standards.
	  ◦ Contribute to stakeholder engagement activities, acting as a point of reference for ESG to drive positive change across departments.
	• Governance (G):
	  ◦ Support the administration and maintenance of the company's ESG governance framework, ensuring alignment with customer and regulatory requirements.
	  ◦ Lead and coordinate internal ESG data collection, validation, and reporting processes to ensure documentation accuracy and audit readiness.
	  ◦ Monitor and report on compliance with environmental, safety, labor, and ethical regulations. This includes maintaining Environmental Management Systems (EMS) and preparing for third-party assessments and audits.
	  ◦ Monitor and record environmental damage and breaches of regulations and report them through established procedures.

Assessment Criteria	The integrated outcome requirements of this unit of competency are that the practitioner being assessed shall prove that he/she is Capable to develop an ESG analysis and plan. Conduct a current situation analysis of a real or fictitious automotive business unit, identifying the unit's key strengths, weaknesses, risks, and opportunities in the three areas of E, S, and G. Ability to set specific, measurable, achievable, relevant, and time-bound (SMART) ESG key performance index. Capable to develop an action plan with a detailed implementation plan, including specific measures, responsible personnel, timeline, and required resources.
Remark	The credits value of this unit of competency assumes that the practitioner has already possessed basic knowledge on corporate strategy and management.