

FOP 2: Accompany supply chain in sustainability

Time of Effectiveness	Long term
Repeatability	95% (19 reports out of 20)
Level of Confidence	9.59/10
Category	Fair Operating Practices
Outcomes	<ul style="list-style-type: none"> Increased supply chain sustainability awareness Enabling effects for the company and its supply chain sustainability
Metrics	<ul style="list-style-type: none"> Supplier's sustainability awareness (survey, audits, interviews) Time provided to sensitize suppliers (hours/year)
Problematic	<ul style="list-style-type: none"> Paris Agreement Article 11 UN SDG 10: Reduced Inequalities UN SDG 17: Partnerships for the Goals
Additional Components	NONE

Description

In order to increase their own sustainability, most of the companies decided to have an effect on their own supply chain by accompanying them towards sustainability. To achieve that, they decided to sensitize supply chain employees with training on different major issues such as environmental and human rights. Moreover, they also broadcast their own working sustainability initiatives to the supply chain such as transparency, employees' treatment, environmental efficiency initiatives and so on. This strategy is then supposed to increase sustainability awareness of the supply chain as well as their global sustainability depending on the field of sensitization defined by the company.

Example: IBM (p.12,50,59,60,77-79)

If we look at IBM's example, they first implemented a code of conduct (**FOP1**) which is the basis of their sustainability strategy in the supply chain. Then, they decided to incorporate sustainability in the supply chain little by little with the time, because suppliers need to be trained on these new practices and also because they need to adapt their sustainable initiatives to their suppliers which operates in different countries and cultures.

FOP 2: Accompany supply chain in sustainability

Key milestones

1972

Established a corporate directive requiring the environmental evaluation of suppliers of hazardous waste services

1980

Expanded our environmental evaluations of suppliers by establishing a second corporate directive to require the environmental evaluation of certain production-related suppliers

1991

Further expanded our environmental evaluations of suppliers, adding a requirement that product recycling and product disposal suppliers be evaluated

1993

Established product environmental compliance specification 46G3772 with environmental requirements for parts and products IBM procures from suppliers

2002

Added a requirement to assess our suppliers and certain subcontractors they may use to handle recycling and/or disposal operations in countries outside the Organisation for Economic Co-operation and Development (OECD)

2005

Created a part and product compliance declaration form (referred to as Product Content Declaration or PCD) to facilitate transfer of part and product compliance information from the supply chain to IBM

2010

Required suppliers having a direct relationship with IBM to establish a management system that addresses their social and environmental responsibilities and to cascade these requirements to their suppliers

2013

Incorporated the assessment of product environmental compliance requirements into the supply chain audit process, and introduced reviews via a sampling approach of PCD forms for data integrity

History of IBM's supply chain sustainability incorporation

