

DEVELOPMENT OF A SUPPLY CHAIN CODE OF CONDUCT MANAGEMENT FRAMEWORK IN THE ELECTRONICS INDUSTRY.

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The pressure to be “good corporate citizens” has increased dramatically over the past decade. Since the mid nineties, companies have been publicly identified and criticized for their supplier’s deficiencies. The natural reaction by a company under “attack” is to go into a “reactive” mode by addressing the specific allegations from their critics. A fundamental problem exists in that these critics: shareholders, social investment fund managers, non-government organizations, and the media often have differing corporate responsibility objectives and expectations. In reactive mode, often more time is spent producing data to satisfy these stakeholders, than is spent creating effective and efficient policy, programs, and systems. Industry sectors which have not been in the *bright* spotlight have had the ability to learn from others’ approaches and focus on improvement rather than catching up.

The Electronics Industry has felt the increase in public and private pressure around corporate responsibility, and more specifically expectations around supplier responsibilities. Heeding learning’s from other industry sectors such as apparel, footwear, toys and agriculture, some of the largest companies in the electronics industry have formed a coalition to develop a common approach to policy, program and systems to manage suppliers to a common code of conduct. This coalition is formally known as the Electronics Industry Code of Conduct Group, or as it is commonly referred to, the EICC Group.

This paper will focus primarily on the approach the EICC Group is taking in forming its overall supply chain program, starting with a common code of conduct. It will also highlight the gains that are expected to be made by having a proactive group that is designing effectiveness and efficiency into their program. Lastly, it will make light of a partnership the EICC Group has formed with the Global e-Sustainability Initiative’s (GeSI) Supply Chain Working Group to share development of the tools and methods for the larger Information Communications Technology (ICT) sector, and further expand the network of companies involved in improving their supply network. This paper will highlight how the Semiconductor Industry can specifically gain from aligning with the existing network of companies and the EICC.