

ISM PRINCIPLES OF SUSTAINABILITY AND SOCIAL RESPONSIBILITY



**institute for
supply management**

Sustainability is the ability to meet current needs without hindering the ability to meet the needs of future generations in terms of economic, environmental and social challenges.

Social Responsibility: Social responsibility is a framework of measurable organization policies and procedures and resulting behavior designed to benefit the workplace and, by extension, the individual, the organization and society.

ISM Principles of Sustainability and Social Responsibility

1. Anti-Corruption

Corruption in all of its forms, including extortion and bribery, will not be tolerated.

2. Diversity and Inclusiveness — Workforce and Supply Base

Workforce. Workforce diversity and inclusiveness is the attraction and retention of a workforce that reasonably represents the customer and communities in which the organization operates.

Supply Base. Attraction and retention of a diverse supply base is the responsibility of each supply professional.

3. Environment

Supply management promotes protection, preservation and vitality of the natural environment.

4. Ethics and Business Conduct

Every supply management professional is responsible for behaving ethically and actively promoting ethical conduct throughout the supply chain.

5. Financial Integrity and Transparency

Financially responsible supply management is characterized by integrity and transparency in all supply-related dealings and decisions.

6. Global Citizenship

Global citizenship is the ethical and moral obligation to act for the benefit of society locally, globally and virtually.

7. Health and Safety

Health and safety is the condition of being protected or free from the occurrence of risk of injury, danger, failure, error, accident, harm and loss of life.

8. Human Rights

Human beings have universal and natural rights and status regardless of legal jurisdiction and local factors.

9. Labor Rights

Supply management is committed to protecting and respecting labor rights globally.

10. Sustainability

Sustainability is the ability to meet current needs without hindering the ability to meet the needs of future generations in terms of economic, environmental and social challenges.

ISM acknowledges the United Nations Global Compact and United Nations' *The Universal Declaration of Human Rights* for concepts adopted and integrated into ISM definitions, policies and documents.



ISM is a member of the International Federation of Purchasing and Supply Management (IFPSM)

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Sustainability and Social Responsibility

Make Good Business Sense

Commitment to sustainable and socially responsible behavior is good business in both the public and the private sectors.

ISM firmly believes the supply management profession is a strategic contributor in the development and implementation of sustainability and social responsibility programs and behavior. Supply professionals are in a unique, critical position to impact the global supply chain and therefore should supplement their organization's work in sustainability and social responsibility by promoting sustainability and social responsibility through leadership and participation on appropriate committees, boards and panels of governmental and nongovernmental organizations.

In 2012, the ISM Board of Directors approved the revised *Principles of Sustainability and Social Responsibility*, which were originally adopted by the Board in 2004 as the Principles of Social Responsibility. The purpose of these principles is to increase supply management's awareness and provide tools to supply management professionals for the development of a proactive supply management sustainability and social responsibility program for their organizations. They may complement existing standards, or they may be used as a starting point from which to develop a set of standards unique to the needs of the particular business.

Best-in-class organizations in sustainability and social responsibility incorporate specific and measurable practices across the supply chain. They will:

1. Support sustainability and social responsibility principles and initiatives.
2. Commit resources to support of sustainability and social responsibility principles, practices and education.
3. Build and integrate programs throughout the organization and cascade them throughout the supply chain.
4. Engage and involve executive management to ensure sustainability and social responsibility initiatives are integral to the culture and decision-making of the organization.
5. Ensure the sharing of strategies, policies, procedures, best practices and other relevant material to assist organizations working to improve sustainability and social responsibility behavior internally and with suppliers.
6. Encourage building and integrating a program throughout the organization and the supply chain.
7. Make enlightened business decisions that often move beyond the "letter of the law."

For more information on how you and your employer can support and promote sustainability and social responsibility, visit

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