

The Apple Code Of Conduct

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Introduction

Businesses face diverse challenges posed by the global environment. Every business has to find a way of mitigating and coping mechanisms for it to survive. Importantly, the modern way of doing business, such as failure to embrace ethics and adopt better technologies, increases challenges in the business environment. Additionally, stiff and unethical competition among business enterprises poses a threat to the international business environment. Apple has continuously provided information regarding its supply chain. The company, in the previous years, received stern accusations of poor working conditions of its suppliers and unethical employment behaviours such as hiring underage employees and great prominence of suicides as well as forced labour. Apple regularly conducts auditing activities on its suppliers' facilities. The Apple code of conduct encompasses several aspects, such as social responsibility, empowering workers, human rights and the health and safety of its workers. Apple's code of conduct has undergone several changes in recent years.

Discussion

The Apple Code of Conduct offers a guide on how its suppliers and partners must operate when conducting business. The suppliers have to meet specific standards in pursuit of the company's overall objectives. However, several of its suppliers face numerous challenges in complying with the set rules and regulations. The suppliers must demonstrate constant improvement or risk losing business with the company. For example, in 2016, the company enforced an even firmer performance policy (Peng 2016). The policy places any partner who commits a central violation and exhibits reduced supplier responsibility regularly on probation terms. Consequently, the company reduced the business allocation of thirteen suppliers and terminated business relations with three of its suppliers.

The company has increased the level and scope of its auditing process. For instance, in 2013, the company audited 451 suppliers, a total of 1.5 million employees, who were involved in the production of the company's products. The auditing involved assessing process safety and the working environment. Apple's report 2017 shows that in 2016, the company conducted the biggest-ever site audits of seven hundred and five. The report suggests that its suppliers improved adherence to the set standards. Additionally, a 59 per cent increase in the number of high-performance units was noted. Further, the working hours improved to a remarkable ninety-eight per cent. The company also, for the first time, achieved a hundred per cent in the zero waste validation Landfill validation in its China-located sites courtesy of the zero waste program in 2015.

Further, the Apple company provided a detailed analysis of the violations it ascertained from its

suppliers' units. These violations ranged from acts of discrimination, long working hours, and lack of protection for juvenile employees. Since then, the company has taken strict corrective measures to remedy the situation. It carried out quick visits to the sites to check on practices of involuntary labour and underage hiring (Clarke & Boersman 2017). If the supplier is found guilty, he has to arrange for financial compensation to the victim. The supplier must return the underage workers to the school of their parent's choice, pay for their fees and provide monthly income similar to their previous wages. Further, the supplier is forced to hire the young person when she/ he becomes of legal age.

Recently, the company started an onboarding process for all of its new suppliers in an attempt to reduce cases of bribery in getting a job. Moreover, assessment of the new suppliers formed thirty per cent of the overall assessments. The company visits the facility to review its code of conduct. Besides, the onboarding process involves sharing the best desirable business practices and helping the new suppliers establish effective management systems. Moreover, the suppliers learn how to avoid common mistakes, initiate proper corrective action plans and undertake a risk assessment. For instance, the number of new suppliers enrolled in the new onboarding supplier process increased by 39 per cent.

The company 2016 expanded supplier collaborations through its new initiative for its small and medium performers (SME). This involves providing personal and customized consultation platforms. The SME team is comprised of technically skilled experts in areas such as risk assessment, labour laws, electrical safety, and chemical engineering (Frost & Burnett, 2007). The SME program in 2016 involved 138 suppliers. The facilities saw improvements in labour and human rights, health and safety, as well as environmental quality. The close relationships between the company and its suppliers help the suppliers achieve significant milestones in how they conduct their daily business operations.

Further, the company's code of conduct under the category of health has changed. In 2016, Apple finalized its annual chemical mapping program in its final assembly units. The program involved a review of the chemical locations, amounts, storage and worker protective equipment. The company assured that the processed chemicals were hundred per cent free of the controlled Apple substances. These substances include n-hexane, chlorinated degreasers, and benzene. For accountability and transparency, the company shared its findings via the initiative of Green Americas Clean Electronics Production Network. In the same year, the company extended its chemical management work to other manufacturing suppliers. The company designed a model for overseeing chemical management for every new product (Khan, Alam M. & Alam S. 2015). Additionally, the company focuses on assessing suppliers to ensure compliance with the Regulated Substances Specifications. Besides, this also identifies dangerous chemicals in the supplier's product, which may pose a limitation or prohibition from manufacturing the said product.

The company recognizes that water resources face significant challenges globally. The Apple Clean Water Program, initiated in 2013, concentrates on reducing freshwater use in all of its partners' processes. The program also aims to advocate for the recycling and reuse of treated wastewater. In

2016, suppliers conserved more than 3.8 billion gallons of water through this initiative. Also, the percentage of water reuse stood at thirty-five in eighty-six sites. The program has achieved tremendous results in freshwater conservation, standing at 8 billion gallons since its inception.

Also, the energy efficiency program helps to reduce carbon emissions. For instance, in 2016, the number of suppliers involved in this program tripled. Subsequently, a 150000 metric ton reduction of carbon emissions was achieved (Khan, Alam, M. & Alam, S 2015). Those 2018 supplier commitments are historical. Apple reports that its Supplier Clean Energy Program avoided 21.8 million metric tons of CO₂e emissions in 2024; in 2025, participating direct suppliers procured more than 20 gigawatts of renewable energy and generated more than 38 million megawatt-hours.

Notably, Apple believes in hearing of employees' concerns. In 2014, the company developed a platform for workers to air their grievances. The survey access to every supplier site helps the workers to voice their opinions anonymously (Clarke & Boersma 2017). They helped workers, via social media and phone calls, make their voices heard without paying any charge. The program has grown to reach twenty-nine locations. The company received more than twenty-two thousand survey feedbacks in 2016. The survey responses helped the company to give suppliers information on the areas they need to improve.

Conclusion

We have a rigid code of conduct. We understand that our suppliers hold a core role in employing millions of workers globally. Therefore, the company's decisions ultimately have a long-term or short-term effect on our suppliers. We, hence, must protect our supply chain actors and protect our delicate natural environment. We insist on quality products, and this is why we occasionally offer training and education to our employees to prepare them for the present and future changes in a business environment. Our code of conduct calls upon all of our suppliers to practice the set standards regarding the working environment, worker treatment, and the environment. In our supply chain, we endeavour to develop programs that eliminate waste, minimize carbon emissions, conserve water, and replace hazardous chemicals.

References

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