

United Nations Global Compact

COMMUNICATION ON ENGAGEMENT



ASCM's position as a source of supply chain industry thought leadership enables it to inform members and the public about issues in supply chain which relate to the 10 principles of the UNGC.

ASCM actively supports the UNGC principles through the policies and procedures in place for its own staff and the association's operations.

A Statement from ASCM CEO Abe Eshkenazi

I am proud to introduce the Association for Supply Chain Management (ASCM), the new global leader in supply chain organizational transformation, innovation and leadership. As the largest nonprofit association for supply chain, ASCM is an unbiased partner, connecting companies around the world to the newest insights on all aspects of supply chain within one source. Built on the foundation of APICS, ASCM's primary focus is to drive industry innovation with new products, services and partnerships that enable companies to further optimize their supply chains, secure their competitive advantage and positively impact their bottom lines.

As ASCM, we will continue to support the ten principles of the United Nations Global Compact (UNGC) with respect to human rights, labor, environment and anti-corruption. With this communication, we express our intent to advance those principles within our sphere of influence. We are committed to making the UNGC and its principles part of the strategy, culture and day-to-day operations of our organization.

We recognize that a key requirement for participation in the UNGC is the submission of a COE that describes our organization's efforts to implement the ten principles. Following is a description of our activities in 2018 and 2019 to date.

Abe Eshkenazi, CSCP, CPA, CAE Chief Executive Officer

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Communication on Engagement: Human Rights

ASCM often writes and shares content focused on human rights:

- The Business Case for Empowered Women, ASCM blog, 2019
- Eradicating Modern-Day Slavery in Supply Chains, ASCM blog, 2019

Additionally, we have received a grant from the Bill & Melinda Gates Foundation to help solve critical public supply chain challenges and encourage healthier families and communities. This past March we hosted two forums on the continent that brought together professionals from the private and public sector to share knowledge, build alliances and strengthen health supply chains. A third forum, in Senegal, is planned for later this year.

This year we are also introducing the industry's first and only corporate supply chain designation — ASCM Enterprise Certification. The certification framework consists of three dimensions that represent specific aspects of an organization's supply chain: ethical, economic and ecological. The ethical component of the framework focuses on these areas of an organization's supply chain: anti-corruption and anti-trust, codes of conduct, confidentiality of information, human rights and labor practices, intellectual property and patents, and responsible marketing and sales engagement.

ASCM provides superior benefits to ensure quality of life for its employees. Due to these efforts, ASCM was awarded the Great Place to Work seal by the Great Place to Work Institute. Each year, ASCM encourages professional development and employee training to engage employees in learning to advance their skills and prepare them for meaningful career experiences. The company ensures its employees have access to the materials and tools needed to perform their jobs and grow their areas of expertise. Some of the programs ASCM employees have highlighted in the employee engagement survey include: flexible work scheduling, 401(k) matching, family care, college tuition reimbursement and a casual work environment.

Communication on Engagement: Labor

ASCM informs its readers in critical labor issues. Recent publications include:

- <u>Diversity and Inclusion Strategies at Johnson & Johnson</u>, APICS magazine, October-December 2018
- Women's Worth, ASCM blog, 2019
- Supply Chain Transformation After a Crisis, APICS blog, 2018

ASCM is dedicated to advancing women in the supply chain and manufacturing industry. We have an ongoing collaboration with The Manufacturing Institute honors women who

demonstrate excellence and leadership in their careers through the STEP Ahead: Women in Manufacturing initiative.

At our annual conference, ASCM 2019, we will host our third Women in Supply Chain Forum, with discussion on how to attract, empower and retain women. At the conference we will also acknowledge a professional who fosters environments that value equality via our ASCM Award of Excellence – Diversity and Inclusion Champion.

Additionally, in 2019 we started a Diversity and Inclusion Taskforce to increase awareness and importance of diversity and inclusion at every level of the supply chain.

ASCM is an equal opportunity employer that includes an ethics code that all employees and association members must sign that encourages the respect of fundamental rights and dignity of all individuals, as well as an anti-harassment policy.

Communication on Engagement: Environment

ASCM frequently highlights sustainability in the content it produces, including our long-running magazine column on sustainability, "Working Green." Other content we've recently shared about environmental issues include:

- Is You Supply Chain Ready for the Next Disaster?, APICS magazine, April-June 2018
- Achieving Balance in Sustainability, APICS magazine, October-December 2018
- Climate Change Disruptors on the Rise, ASCM Insights blog, 2019
- Why Business Leaders Must Make Supply Chain Ethics a Priority, white paper, 2019

Our STEM (Science, Technology, Engineering and Math) youth education program from ASCM features the Lemonade Game, which includes a reuse/recycle component to reinforce the importance of this circular supply chain concept for future supply chain managers.

The aforementioned ASCM Enterprise Certification evaluates and addresses the environmental impact of an organization's supply chain, in particular circular economy, climate strategy, energy, water and waste, material usage, and, product life-cycle stewardship.

Staff at ASCM headquarters also take an active role in staying "green." Work is kept paperless whenever possible, we have an extensive recycling program, and encourage the use of reusable mugs to curb the use of disposable drinkware.

Communication on Engagement: Anti-Corruption

ASCM offers a Risk Management certification which educates candidates on the risks involved with various forms of corruption.

Our ASCM publications also have covered anti-corruption activities, including:

- Know Who You are Doing Business With, APICS magazine, January-March 2018
- Cobalt at a Cost, APICS blog, 2018
- Why Business Leaders Must Make Supply Chain Ethics a Priority, white paper, 2019

Additionally, the newly introduced ASCM Enterprise Certification evaluates and addresses anticorruption and codes of conduct within an organization's supply chain.

In the workplace, ASCM fights corruption by informing employees and members about ethical behavior and distributes policies which employees must sign. Employees must disclose any conflicts of interest in their work.