

Csr of apple

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Apple is making genuine strides in the direction of environmental friendliness by designing for energy efficiency, reducing packaging, and using recycling materials. Its websites also releases an extensively breakdown of company's annual corporate carbon emissions. Apple says it emits 10. 2 million tons of carbon emissions annually. Meanwhile, HP says it releases 8. 4 million tons annually and it was just named the best S&P companies for the planet by Newsweek. Dell came in second and emits just 471, 000 tons annually.

Both of those companies only assess what happens during the production process. By contrast, Apple includes what happens once the product is being produced. The biggest source of emissions comes from customers using its product at home. The next biggest source of emissions comes from manufacturing which accounts for 45% of company's emissions. However, using less material may bring some problems to Apple. Some customers complain that Apple's products are more fragile than its predecessors.

Therefore, the balance between durable product and reducing materials is very important for its product design. Apple publishes a supplier code of conduct and launches supplier audits to ensure that the code of conduct is being followed. More importantly, Apple does not hide bad conducts of its suppliers and releases it to public. In its latest SupplierResponsibility2011 Progress Report, Apple outlines its specific findings of its own supplier audits.

In 2010, its audit of 127 facilities revealed 37 core violations; 18 facilities where workers had paid excessive recruitment fees, which it considers to be involuntary labor; 10 facilities where underage workers had been hired; two instances of workers endangerment; 4 facilities where records were falsified;

1 case of bribery; and 1 case of coaching workers on how to answer auditors' questions. The transparency of Apple's report reveals Apple's concern for its suppliers' actions.

Even if Apple has outsourced its supply chain, it still has a corporate social responsibility to ensure socially and environmentally sound business practices of its subcontractors. Apple may be praised for its openness. However, some customers think Apple is merely trying to get ahead of the ever-pervasive media by releasing this information themselves. The enforceability of supplier code is much more important than making this information available to public. If Apple is determined to enforce its code for suppliers, its business may be disrupted by termination of contracts with suppliers because of its outsourcing of supply chain. Therefore, a back-up plan is needed to prevent disruption of business. Termination with suppliers may contribute to loss of reputation and increasing transaction costs with alternative suppliers. So another issue Apple needs to consider beforehand is supplier selection which is an important part of supplier management. Therefore, Apple should set up more efficient and relevant performance measures of suppliers and continuously evaluate these measures.