IPC-1401A

Corporate Social Responsibility Management System Standard

This standard was developed concurrently in Mandarin and English. If a conflict occurs between the English and Mandarin versions of this document, the English version will take precedence.

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Users of this publication are encouraged to participate in the development of future revisions.

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Corporate Social Responsibility Management System Standard

1 SCOPE

This standard specifies the requirements and best practice guidelines for an effective corporate social responsibility (CSR) management system to help an enterprise integrate CSR as a customer requirement into products and value chain activities, as well as to identify and manage CSR risks and opportunities through cooperation with customers and suppliers, so as to enhance the competitive advantages of the enterprise and its supply chain.

1.1 Purpose This standard helps an enterprise to continually improve its CSR performance through innovation (see 3.10), achieve the following intended outcomes of the CSR management system, which creates value for the enterprise, its customers, its suppliers and other stakeholders.

a. Fulfillment of compliance obligations (see 3.8);

b. Improvement of customer satisfaction (see 3.6);

c. Control of business risks (see 3.9); and

d. Enhancement of operational efficiency.

This standard is developed for and intended to be applicable to electronics manufacturing enterprises, other enterprise may use it as a reference. This standard does not state specific criteria of CSR performance, nor does it add or change the responsibility or obligation the enterprise undertook before it adopts this standard.

An enterprise may use this standard in the following purpose:

a. Establish a CSR management system to guide functional departments or branches to manage their CSR risks and opportunities;

b. Self-evaluate and self-declare to demonstrate its CSR commitments to stakeholders such as customers, employees and investors;

c. Seek confirmation from stakeholders such as customers or investors on their self-declaration;

d. Guide suppliers or investee enterprises to establish their CSR management systems;

e. Seek certification of its CSR management system by an external organization; and

f. Use as a framework for industry cooperation and supply chain cooperation.

This standard may be used in whole or in part to systematically improve CSR management.

1.1.1 Background In the global electronics manufacturing industry, CSR has become a priority topic on the mainstream business agenda. An increasing number of customers and consumers require enterprises to demonstrate responsible business conduct and to provide responsible products and services. For such a purpose, the United Nations has issued the Guiding Principles on Business and Human Rights (UNGP) and SDG Compass – The Guide for Business Action on the SDGs , the OECD has issued OECD Due Diligence Guidance for Responsible Business Conduct, and the EU has formulated Non-financial Reporting Directive (NFRD). Leading enterprises have proactively implemented CSR strategies and effectively enhanced their competitiveness.

This standard helps an enterprise to establish an effective management system, benchmark with industry best practices, and integrate CSR as a customer requirement into products and value chain activities including marketing, research and development, procurement, manufacturing, logistics, after-sales, facilities, human resources, finance, communication and other functional activities, as well as to achieve compliance assurance, customer satisfaction, risk control and efficiency enhancement through innovation.

Unlike other compliance or risk-control-oriented management system standards, this standard treats CSR as a business opportunity and encourages an enterprise to achieve cost leadership and/or differentiation competitive strategy through innovation.

1.1.2 Success Factors The success of a CSR management system depends on the integration of CSR as a customer requirement into competitive strategy by top management and achieving cost leadership and/or differentiation competitive strategy and increasing sales through innovation.

The success of a CSR management system requires leadership from top management and a hierarchical accountability mechanism of management at all levels, integrating CSR into business processes and daily operations to enhance operational efficiency.

The success of a CSR management system requires identifying risks and opportunities within product life cycles and the value chain, adopting responsible business conduct and providing responsible products and services to create greater value for customers and consumers.

The success of a CSR management system also requires close cooperation between upstream suppliers and downstream customers of the supply chain, engaging in industry cooperation, learning from competition and improving through benchmarking to continually enhance the competitiveness of the supply chain.

1.1.3 Contents of This Standard Section 1 through Section 3 of this standard specify the scope, applicable documents and terms and definitions of this standard, while Section 4 through Section 10 specify the requirements of this standard, of which tables in Section 4 through Section 10 list reference templates for understanding and implementing the related requirements.

This standard will be revised periodically to update industry best practices and when necessary best practice guidelines for certain functions to be formulated.

This revision extends the standard's scope from procurement to marketing, research and development, manufacturing, logistics, after-sales, facilities, human resources, finance, communication and other functional activities. It strengthens the market and business orientation, and provides additional reference illustrations for the implementation of this standard.

1.1.4 Relationship with Other Management System Standards This standard adopts the high-level framework of the ISO management system standards and is compatible with other management system standards. See Appendix A for more information.

Some parts of this standard overlap with other management system standards such as environment, health and safety, anti-bribery, business continuity, information security and compliance. Enterprises may integrate this standard into their existing systems at their own discretion.

1.2 Classification IPC standards recognize that electrical and electronic assemblies are subject to classifications by intended end-item use. Three general end-product classes have been established to reflect differences in manufacturability, complexity, functional performance requirements, and verification (inspection/test) frequency. It should be recognized that there may be overlaps of equipment between classes.

CLASS 1 General Electronic Products

Includes products suitable for applications where the major requirement is function of the completed assembly.

CLASS 2 Dedicated Service Electronic Products

Includes products where continued performance and extended life is required, and for which uninterrupted service is desired but not critical. Typically, the end-use environment would not cause failures.

CLASS 3 High Performance/Harsh Environment Electronic Products

Includes products where continued high performance or performance-on-demand is critical, equipment downtime cannot be tolerated, end-use environment may be uncommonly harsh, and the equipment must function when required, such as life support or other critical systems.

1.3 Definition of Requirements The words **shall** or **shall not** are used in the text of this document wherever there is a requirement for materials, preparation, process control or acceptance.

The word should reflects recommendations and is used to reflect general industry practices and procedures for guidance only.

Line drawings and illustrations are depicted herein to assist in the interpretation of the written requirements of this standard. The text takes precedence over the figures.

1.4 Process Control Requirements The primary goal of process control is to continually reduce variation in the processes, products or services to provide products or processes meeting or exceeding user requirements. Process control tools such as IPC-9191 or other user-approved system may be used as guidelines for implementing process control.

A documented process control system, if established, **shall** define process control and corrective action limits.

This may or may not be a statistical process control system. The use of statistical process control (SPC) is optional and should be based on factors such as design stability, lot size, production quantities and the needs of the manufacturer

When a decision or requirement is to use a documented process control system, failure to implement process corrective action and/or the use of continually ineffective corrective actions **shall** be grounds for disapproval of the process and associated documentation.