

SCMAO (Operating as Supply Chain Canada, Ontario Institute) Code of Ethics for Professionals in the field of Supply Chain Management

Affecting and Accepting Responsibility

Preface

As a professional body, SCMAO has a duty to provide guidance to its affiliated Institutes/Corporation and their members on the standards of behaviour and ethical conduct with respect to membership in SCMAO. As professionals in supply chain management, members are obliged to comply with the Code of Ethics (the Code) prescribed by SCMAO and adopted by the Institutes/Corporation to uphold the integrity of the profession, the Institutes/Corporation and SCMAO as a whole.

Professional standing requires a level of conduct that adds value to the organizations which employ our services and to the society we serve. Members of professional organizations are often subject to more than a single code of conduct. The global dimensions of business create the potential situation where the practices in one jurisdiction may not be acceptable or recognized in another. Should there be a potential conflict for a member between applicable codes of conduct, it is suggested that the appropriate authority of the employing organization be contacted for advice. If a member is not able to resolve an ethical issue in accordance with the Code, the member should seek legal advice as to any legal rights and obligations the member may have.

The expectations of society for professional behaviour and conduct evolve as collective values change. Members should be guided not only by the terms of the Code but by the implicit expectations of conduct becoming a professional.

One of the means for professionals to support a strong ethical commitment is to continue to adopt best practices in the supply management field. It is incumbent upon SCMAO members to maintain their credentials in order to sustain the trust and confidence placed on them by others to represent their interests.

The professional conduct of an individual member is important as that conduct reflects on SCMAO, affiliated Institutes/Corporation, and all members. As business issues change, SCMAO will amend its Code of Ethics where it is deemed appropriate to reflect the highest standards of professional conduct. SCMAO has committed to ensuring that its Code of Ethics is reviewed at a minimum of every five years.

SCMAO Code of Ethics

A. Standards of Conduct

Members will conduct themselves in a manner that a reasonable and informed third party would conclude as being appropriate to a professional in supply chain management.

1. Avoidance of conflicts of interest

Members should exercise professional judgment and discretion in order to avoid any apparent or actual conflict of interest when performing their duties. Should a conflict of interest arise, the member is required to disclose their interests to their employer and/or other impacted parties as soon as possible. Members should consider removing themselves from any decisions in which they have a conflict of interest until express direction from the appropriate authority is obtained.

2. Protection of confidential or sensitive information

Where a member has been privy to confidential or sensitive information, it is their responsibility to ensure that it remains so. Such information must not be used for any personal gain or advantage. Information given in the course of a member's professional activity should be forthright and not intended to mislead or deceive others.

3. Business relationships

Members should maintain relationships with suppliers and third parties in a manner that contributes to and promotes fair competition in the market and protects the interests and reputation of his or her employer. Members should not use their position to garner personal favours or advantages.

4. Gifts, gratuities, and hospitality inducements

When permitted by employing organizations, members must ensure that the objectivity of their decisions is not compromised or unduly influenced by the acceptance of gifts, gratuities, or hospitalities of any kind. Members should be discerning in their business and social relationships and activities and, through them, seek to enhance the integrity of the profession.

5. Environmental and social responsibilities

Members shall exercise their responsibilities in a manner that promotes and provides opportunities for the protection and preservation of the natural environment. Members shall favour the use and distribution of resources in an efficient, effective, and ethical manner. Members will be cognizant of the social rights extended to all people, including the conventions of the International Labour Organization with respect to labour standards, and will encourage and support supplier diversity. These attributes of sustainability should guide members in their decisions, and in implementing the policies and values of the organizations they represent.

B. Professional Principles

Members will perform their roles and duties based on the following principles of professional practice:

1. Professional competency

To maintain their professional competency by staying informed of, and complying with, the best supply chain management practices, and for SCMP designation members to retain their professional certification in good standing.

2. Professionalism

To provide professional advice to their employer or any other impacted party to the best of their knowledge, recognizing that any final decision is the prerogative of the senior authority within the employing organization; to act with courtesy and due consideration in dealings with other professional members and in all business relationships.

3. Honesty and integrity

To maintain an unimpeachable standard of integrity and honesty in all their business relationships both inside and outside the organizations in which they are employed.

4. Responsible management

To optimize, without prejudice, the use of resources for which they are responsible so as to provide the maximum value as defined by the organizations they represent.

5. Serving the public good

To use their position to advance the interests and well-being of society; to denounce all forms of business practice which may compromise value or bring discredit to the organization and/or society.

6. Compliance with legal obligations

To be aware of and comply with (a) all laws, regulations, by-laws and standards that are relevant to supply chain management practices; (b) the Institute's or Corporation's rules and regulations; and (c) contractual obligations that apply to the member or the member's employer and both the letter and spirit of the Competition Act, together with any competition compliance guides published by SCMAO or its Provincial and Territorial Institutes. Members must not engage in or condone any activity or attempt to circumvent the clear intention of the law.

C. Governance and Compliance

In the event that the provisions in this section do not align with an Institute's internal policies or by-laws, the latter will take precedence.

For the Code to be effective, the Institute/Corporation, SCMAO and all members/associates (for clarity referred to as "members" for the balance of the document) must be committed to strong governance and compliance procedures. The professional conduct of an individual member is important as that conduct reflects on SCMAO, affiliated Institutes/Corporation, and all members.

1. Interpretation

When in doubt on the interpretation of the Code, members should refer to their Institute/Corporation Ethics Committee or other formal review structure as established within the policies/procedures of each Institute/Corporation. For clarity this review structure will be referred to as simply "Ethics Committee" for the balance of the document.

2. Disciplinary Action

A member shall be subject to disciplinary action through the member's Institute or Corporation.

3. Membership obtained through Misrepresentation

(a) A member shall not obtain admission to membership by means of misrepresentation or other irregularity; (b)

A member shall not misrepresent his or her professional designations or education credentials; and

(c) A member shall notify the most senior staff officer or most senior volunteer of the relevant Institute/Corporation. of his or her Institute/Corporation immediately should they have knowledge regarding a person who has obtained membership by means of fraud or other irregularity. For clarity, this individual will be referred to as the "Institute/Corporation Officer" for the balance of the document.

4. Admission to Membership

A member shall report to the Officer of his or her Institute/Corporation a fact known to that member sufficient to affect the admittance of any person whose admission, readmission, or reinstatement may be detrimental to SCMAO.

5. Detrimental Actions

(a) A member shall not knowingly participate in any action that is detrimental to his or her Institute/Corporation, or to the SCMAO or the profession; and

(b) A member shall report to the Officer of his or her Institute/Corporation any situation of which the member has sufficient personal knowledge and that the member thinks may be detrimental to his or her Institute/Corporation, or to SCMAO or the profession.

6. Evidence of Professional Misconduct

A member who has been found guilty of any criminal or similar offence which may cast doubt as to that member's honesty, integrity or professional competence, or has been expelled/suspended from membership in another professional association, shall promptly inform his or her Institute/Corporation of the conviction, expulsion or suspension, finding of guilt or discharge, as the case may be, when any right of appeal has been exhausted or expired in order that the Institute/Corporation may assess whether there is a concern related to the Code of Ethics. A certificate of conviction by any competent court shall be sufficient evidence of the conviction and the perpetration of the offence.

"Criminal or similar offences" includes, but is not limited to, the following offences:

(a) fraud, theft or forgery;

(b) violation of the provisions of any provincial or federal supply chain management legislation; or

(c) any criminal or similar offence for conduct in, or related to, the member's professional capacity or for conduct in circumstances where there was reliance on his or her membership in his or her Institute/Corporation.

7. Requirement to Reply in Writing

A member shall reply promptly in writing to any request from the Officer of his or her Institute/Corporation in which a written reply is specifically required on matters pertaining to the Code.

8. Assistance to the Board

A member shall comply with the request of his or her Institute/Corporation Board in the exercise of its duties in matters relating to the Code and, when required, produce any documents in the member's possession, custody or control unless such documentation is protected by privacy legislation.

Part II. Complaint Procedures

The goal of the procedures for enforcing the Code is to promote ethical behaviour and eliminate unethical behaviour. The enforcement procedures provide a process for receiving, investigating and adjudicating allegations of a breach of the Code. The objective is to engage in a process that is fair, responsible and confidential.

The following procedures shall apply in respect of the receipt, investigation and resolution of complaints or allegations concerning a breach of the Code – subject to any variation required to comply with provincial or territorial legislation.

1. Receipt of Complaint

(a) Complaints concerning an alleged violation of the Code must be filed with the Institute/Corporation of which the subject of the complaint is a member, and without undue delay and no more than three years of the alleged violation or discovery of the alleged violation of the Code.

(b) To be considered by an Institute/Corporation, a complaint must be made in writing, signed by an individual and sent to the Institute/Corporation Officer.

(c) Complaints will be treated as strictly confidential. At the investigation stage, complaints will only be disclosed to: (a) the Ethics Committee; and (b) the respondent as part of the investigation into the complaint.

(d) Within 16 business days of receiving a complaint, the Ethics Committee will send (a) a written acknowledgment of receipt to the complainant; and (b) a written notice to the respondent, advising of the nature of the complaint and the resulting investigation.

2. Investigation

(a) The Ethics Committee will conduct an investigation and prepare a report within 120 calendar days of receiving a formal complaint, which will include the opportunity for the respondent to present submissions in response to the complaint. This process may include multiple steps according to the policies/procedures established by the individual Institutes/Corporation.

(b) The Ethics Committee will, within 30 calendar days of the conclusion of its investigation, or as soon as is practicable, present its report to the Institute/Corporation Officer. The report will include the nature of the complaint and the decision as to the disposition of the complaint, and any sanction to be applied.

(c) The Institute/Corporation Officer will then send the decision to the respondent and to the complainant.

3. Appeals

(a) The complainant and the respondent each have the right to appeal the Ethics Committee decision to the applicable Institute/Corporation Board of Directors on the basis of the Ethics Committee's failure to follow published criteria, policies, or procedures, or on the basis of material mistake of fact.

(b) Requests for appeal must be made in writing to the Institute/Corporation Officer within 30 days of the notification of the decision. A copy of the request for appeal will be sent by the Institute/Corporation Officer to the complainant or respondent.

(c) If an appeal is requested, the Institute/Corporation Officer will convene a meeting of the Institute/Corporation Board of Directors with the complainant, the respondent and all other persons who could have relevant information about the case.

(d) The Institute/Corporation Board of Directors will issue its decision as soon as is practicable, but no later than 30 calendar days from the date that the request for appeal was filed with the Institute/Corporation Officer (unless otherwise agreed to by the complainant and respondent). The decision of the Institute/Corporation Board of Directors is final and without appeal. A copy of the decision of the Institute/Corporation Board of Directors will be sent by the Institute/Corporation Officer to: (a) the complainant; and (b) the respondent.

4. Sanctions

Ethics Sanctions are serious. Members must be accountable to the Code. Depending on factors such as the nature of the breach, its impact upon the profession and/or the public and/or the repetitive nature of the conduct, sanctions may include, in order of gravity:

- Reprimand: a formal, written notice that the respondent's conduct violated the Code.
- Letter of censure: a letter sent to the respondent, the respondent's Institute/Corporation and SCMAO Office. Censured members may not hold any Institute/Corporation or SCMAO Office for a period of one year from the time a decision is reached on the issue.
- Suspension: a letter sent to the respondent, the respondent's Institute/Corporation and the SCMAO Office. Suspended members are barred from all Institute/Corporation and SCMAO activities for up to five years (depending on the circumstances and the gravity of the complaint).
- Expulsion, withdrawal of Institute/Corporation credentials: announcement of the expulsion and loss of credentials will be included in Institute/Corporation communication vehicles as deemed appropriate and subject to relevant legislation and bylaws governing the applicable Institute/Corporation. This is the only sanction with public notice. Expelled members are barred from all Institute/Corporation and SCMAO activities.

A member subject to any level of sanction will have that outcome noted in her/her membership file, which will be accessible to all SCMAO administrators.

5. Master File

Once a complaint process has been completed (whether dismissed or sanctions applied), a report will be filed with the SCMAO office to serve as a reference for precedents and consistency in the enforcement of the Code of Ethics across the country. The report will include the following:

- Relevant dates
- Nature of the complaint
- Description of the Process
- Decision of the Institute/Corporation
- The name of the person sanctioned, if sanctions were imposed
- Whether or not an appeal was launched and the result of the appeal

The Institute Officers, Ethics Committees and Boards of Directors are able to request access to the records on a confidential basis as a reference when reviewing complaints and/or appeals.