

Name:
Enrolment No:



UNIVERSITY OF PETROLEUM & ENERGY STUDIES
End Semester Examination – December 2021

Program: MBA - IB
Subject/Course: Green Strategy and Social Compliance
Course Code: INTB 8006P

Semester: III
Max. Marks: 100
Duration: 3 Hours

IMPORTANT INSTRUCTIONS

1. The student must write his/her name and enrolment no. in the space designated above.

Q.No	Group – A Each question will carry 02 marks. All questions are compulsory	Marks	COs
1	Define green growth.	2	CO1
2	What do you mean by social compliance?	2	CO1
3	Is air pollution and water pollution a part of social compliance?	2	CO1
4	Give two examples of social compliance issues in Brazil and China.	2	CO1
5	What do you mean by social accountability?	2	CO1
6	What is SA8000?	2	CO1
7	Why companies invest in green strategy?	2	CO1
8	Mention two important needs for studying green strategy by the managers	2	CO1
9	What are the two important reasons of failure of Kyoto Protocol?	2	CO1
10	What is borrow-use-return model?	2	CO1

Q.No.	Group – B Each question will carry 05 marks. All questions are compulsory	Marks	Cos
11	Explain the green investment pyramid	5	CO1
12	Show the implication of relationship between CO2 emissions and economic activity in business	5	CO2

13	Discuss the applicability of social audit process	5	CO2
14	Evaluate the critical social compliance issues	5	CO2

Group – C			
Q.No.	Each question will carry 10 marks. Answer any three	Marks	COs
17	Critically examine the stages of green strategy	10	CO3
18	Explain how green strategy expanded the “circular flow” model beyond the idea of classical economists	10	CO2
19	Elucidate how Hazel Henderson’s “love economy” model integrate green strategy in to mainstream macro economy and its implication for the comapnies	10	CO4
20	Analyze the issues relating to social compliance with few examples	10	CO4
21	Analyze the important social compliance parameters	10	CO4

Group – D			
Q.No.	Q4. Analytical /Case Study questions. Answer all the questions given at the end of the case study. 15 X 2 = 30	Marks	COs
	<p>Ikea, the international retailer of furniture and household goods, has a reputation for low prices and fresh, innovative design. However, it is also keen to develop a reputation for environmental stewardship and sensitivity to social issues.</p> <p>The Ikea Group of Companies has around 150 stores in 22 countries. It was founded in 1943, and in 2001 had a turnover of 11.3 billion euros. It employs 70,000 people, and purchases its raw materials from more than 50 countries, principally China, Sweden, Poland, Germany and Italy.</p> <p>Most of Ikea's sales take place in Germany (21%), the USA (13%), the UK (12%), France (9%) and Sweden (7%).</p> <p>In September 2000, Ikea launched <i>The Ikea way on purchasing home</i></p>		

furnishing products, a three-page 'code of conduct' for its 2,000 suppliers, focusing on working conditions and environmental impacts (see below). As a first step, suppliers were asked to return a questionnaire to ascertain how well they already complied with the code.

External auditors have been appointed to carry out more detailed reviews and to verify the information provided by Ikea's suppliers. Where shortcomings are identified, the companies will be asked to put in place an action plan to remedy them. The code warns suppliers: 'Repeated violations of IKEA's requirements will result in the termination of co-operation.'

Ikea has also shown itself not to be shy of working with lobby groups. As long ago as 1991, it collaborated with Greenpeace to find a way of printing its catalogues on chlorine-free paper.

Several years later, Greenpeace was enlisted again, this time to advise Ikea on how to phase out PVC from its product range. Since then, PVC has been eliminated from all goods with the exception of electrical cables, and a 100% phase-out is scheduled for 2006.

One of Ikea's most weighty environmental issues is forestry, and in particular the impact of timber extraction on ancient forests. At the end of the 1990s, pressure from Greenpeace and other environmental groups led Ikea to introduce a policy prohibiting the use of wood from intact natural forests, except those certified by the **Forest Stewardship Council**. This was formally launched in November 1999.

'Ikea is joining the movement of responsible corporate consumers concerned about ancient forests,' commented Greenpeace's forest campaigner, Christoph Thies.

At the beginning of 2000, the company has donated US\$2.5 million to help launch Global Forest Watch, a World Resources Institute project set up to gather information about the world's remaining intact natural forests. 'We hope this initiative will encourage other companies to strive in the same direction,' said Ikea's environmental manager, Susanne Pulverer Bergstrand.

Ikea is also keen to send its customers the right signals about social and welfare issues. A two-page code of conduct relating specifically to the subject of child labour makes clear: 'Ikea disassociates itself from child labour, and works actively against it.' To this end, the retailer requires suppliers to keep it informed about where production is taking place - including the activities of subcontractors.

In 2000 Ikea donated US\$500,000 to a three-year project aimed at eliminating child labour in Uttar Pradesh, one of India's least developed states. The focus of the project is the introduction of education facilities for children and women alike.

Ingvar Hjärtsö of UNICEF said: 'We consider Ikea to be setting an excellent example for other corporations to follow. Ikea is prepared to go further than just saying "no" to a supplier who exploits children.'

Hjärtsö added: 'The company is showing a genuine interest in bringing about improvement for children by assuming a responsibility for child labour issues.'

The Ikea code of conduct for suppliers

1. Legal

Suppliers must comply with national laws and regulations and with international conventions concerning the protection of the environment, working conditions and regarding child labour.

2. Working conditions

IKEA expects its suppliers to respect fundamental human rights, and to treat their workforce fairly and with respect.

Suppliers must:

- Provide a healthy and safe working environment;
- Pay the legal minimum wage or the local industry standard and compensate for overtime;
- If housing facilities are provided, ensure reasonable privacy, quietness and personal hygiene.

Suppliers must not:

- Make use of child labour;
- Make use of forced or bonded labour;
- Discriminate;
- Use illegal overtime;
- Prevent workers from associating freely with any workers' association or group of their choosing or collective bargaining;
- Accept any form of mental or physical disciplinary action,

	<p>including harassment.</p> <p>3. Environment and forestry</p> <p>At IKEA, we shall always strive to minimize any possible damaging effects to the environment, which may result as a consequence of our activities. Therefore, IKEA and its suppliers shall continuously reduce the environmental impacts of operations.</p> <p>Suppliers must:</p> <ul style="list-style-type: none"> • Reduce waste and emissions to air, ground and water; • Handle, store and dispose of hazardous waste in an environmentally safe manner; • Contribute to the recycling of materials and used products; • Use solid wood from known areas and, if possible, from sources that are well managed and preferably independently certified as such. <p>Suppliers must not:</p> <ul style="list-style-type: none"> • Use or exceed the use of substances forbidden or restricted in the IKEA list of 'Chemical Compounds and Substances'; • Use wood originating from national parks, nature reserves, intact natural forests or any areas with officially declared high conservation values, unless certified. 		
Q1.	Analyze the social compliance initiatives of IKEA.	15	CO4
Q2.	Analyze the CSR projects taken by IKEA.	15	CO4