



INITIATIVE CLAUSE SOCIALE

# ACTIVITY REPORT

## 2015-2016

*Supporting suppliers together to  
sustainably improve conditions for people  
at work*

INITIATIVE CLAUSE SOCIALE

ICS - Fédération du Commerce et de la Distribution  
14, rue de Bassano - 75016 Paris / Tél. : 01 40 76 17 21

<http://www.ics-asso.org>

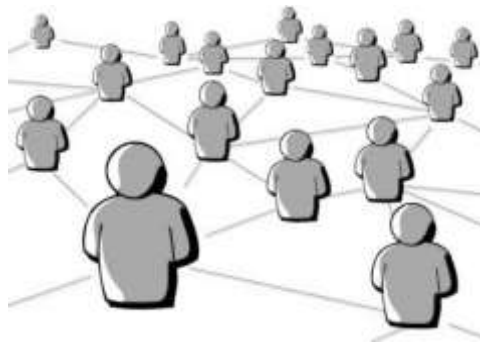


## MISSION & PARTNERS

ICS members join efforts to improve working conditions in their production plants by rolling out a **shared audit framework** and by **exchanging information** on their joint factories. The ICS groups 20 major French and Belgian retailers active in the textile, food and electronics global supply chains.



*Building sustainability through agile cooperation*



# CODE OF CONDUCT

Every ICS member requests its suppliers to comply with the ICS Code of Conduct that can be complemented by the member's own detailed Code of Conduct. By signing this Code, suppliers undertake **to conform and commit** to it as well as having it respected by their own subcontractors and partners: **shared responsibility** is a key concept. The ICS Code of Conduct is available in English, French, Chinese, Turk, Bengali and Hindi.

ICS Code of Conduct directly refers to:

- ✓ **International conventions on fundamental human rights**, e.g. The Convention on the Rights of the Child, 1990;
- ✓ **Fundamental international labour standards** as defined by the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up;
- ✓ **Applicable international labour standards**, e.g. R184, Home Work Recommendation, 1996;
- ✓ **OECD guidelines for Multinational enterprises**;
- ✓ **Applicable national and/or local legislation**.

**Due diligence** is the way forward advanced **transparency** and **responsibility** across global supply chains. A combined approach of social audits and close cooperation with suppliers on corrective action plans can contribute to enhanced sustainable supply chain management.

The cornerstone of the ICS system is the **audit report questionnaire** used in almost 50 countries.

The ICS questionnaire is composed of the **9 chapters** below:

|   |   |   |
|---|---|---|
| <b>MANAGEMENT SYSTEM, TRANSPARENCY AND TRACEABILITY</b> | <b>CHILD LABOUR</b>   | <b>FORCED LABOUR</b>                                  |
| <b>DISCRIMINATION</b>                                   | <b>DISCIPLINARY PRACTICES, HARASSMENT OR ILL TREATMENTS</b> | <b>FREEDOM OF ASSOCIATION AND GRIEVANCE MECHANISM</b> |
| <b>WORKING HOURS</b>                                    | <b>WAGES AND BENEFITS</b>                                   | <b>HEALTH AND SAFETY</b>                              |

## OUR PARTNERS ON THE GROUND

The ICS currently works with 10 audit companies around the world. In 2015, the audit company Asia Inspection completed the ICS accreditation process. Audit quality is monitored by ICS through statistical indicators and comparative analysis as well as by ICS members' collaborative feedback and review.



## METHODOLOGY & TOOLS

- ❖ ICS members meet once a month in **plenary meetings** to share experiences and drive the initiative towards continuous improvement of tools and common processes.
- ❖ ICS members also meet in **working groups** every quarter to closely contribute to the enhancement of ICS tools and processes as well as draft joint positions on specific issues.

ICS actions are based on a **common methodology** applied by all ICS members and securing a complete control of the audit process by brands.

- Audits are performed by **third party** accredited audit companies.
- ICS members share **common monitoring rules** when critical non-conformities are identified in the factories.
- 90% of ICS audits are **semi announced** or **unannounced**.

### ICS double audit rating system

ICS social audit is built on a double rating scheme composed of a percentage and a letter i.e. 90% B, 60% C etc. The percentage reports the degree of compliance of the factory and the letter reports the degree of criticality related to defined major non-compliances.

The ICS rating system is grounded on a thresholds table coupled to the finding of critical non-compliances which require immediate attention and action.



## ICS FIGURES – 2015/2016





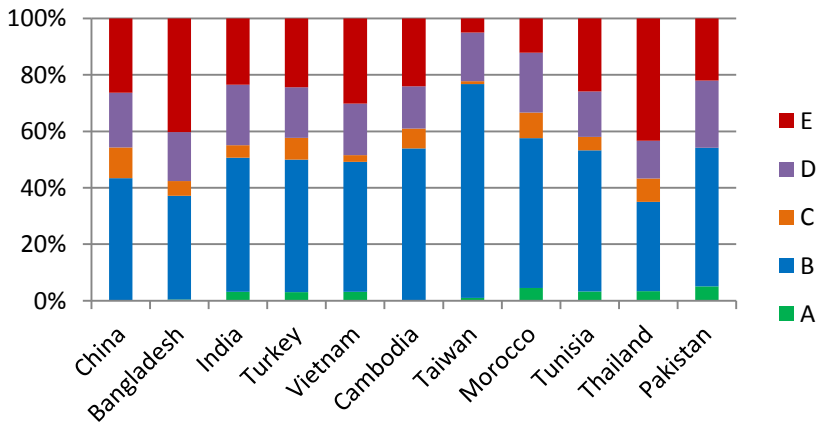
## ICS AUDITS - REGIONAL ANALYSIS

Below map shows circles proportional to the number of audits conducted by ICS members in each region of the world in 2015-2016.



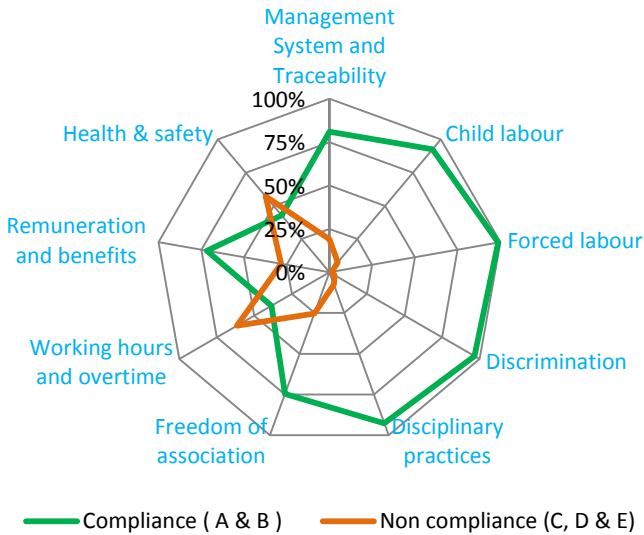
Source: Free Vector Maps.

### Audits results for main countries



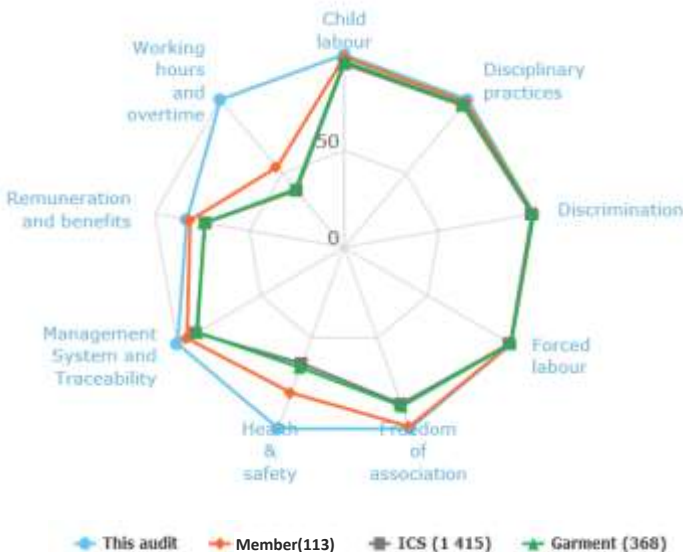
# ICS AUDITS - THEMATIC ANALYSIS

Compliance by ICS audit chapter:



- the graph compares the average degree of compliance of audited factories between chapters;
- for ICS audits globally, most non compliances (either minor or major) are related to working hours (60%) and health & safety issues (55%).

Compares the current audit to:

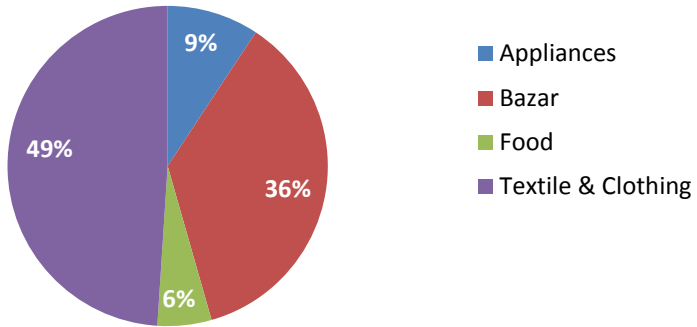


- the audits performed by the member (same country, same year);
- the audits performed by ICS (same country, same year);
- the audits performed in the industry (same country, same year);
- This comparison is available in the ICS database for all audits.

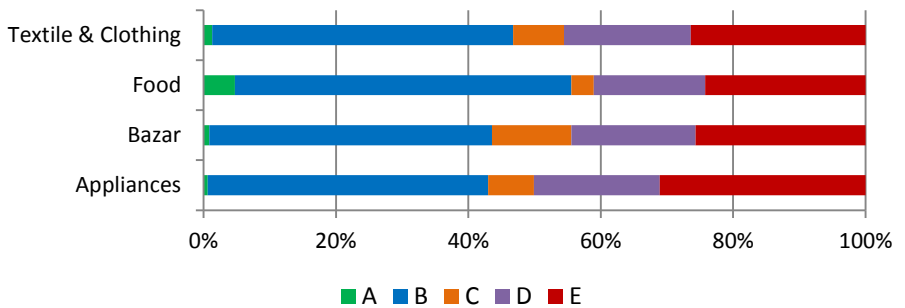
# AUDITS - SECTORAL ANALYSIS

ICS is a **multi-sector initiative** that conducts audits in the textile and clothing, bazar, appliances and food sectors.

## Share of ICS audits by purchase department



## Audits results distribution by purchase department



# EVENTS & STAKEHOLDERS DIALOGUE

**January 2015**  
ICS Presentation at the  
EU Garment Initiative  
conference

**April 2015**  
ICS Presentation at  
the French NCP  
annual conference

**September 2015**  
Contribution to the  
French CSR National  
Action Plan

**December 2015**  
ICS Presentation at  
French government  
Textile Working group

**March 2016**  
Participation to  
Oxfam - FIAC meeting  
on Morocco red fruit  
sector

**March 2016**  
ICS Presentation at  
Salon Prourable

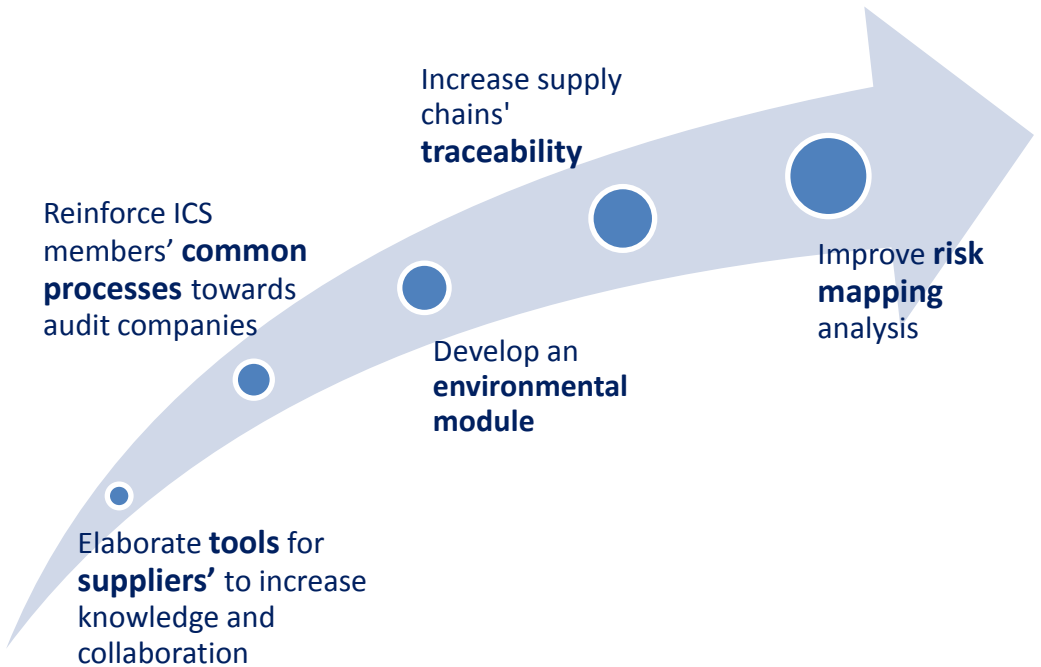
**April 2016**  
ICS Presentation at  
EU Garment Initiative  
conference

**June 2016**  
Contribution to MEDEF  
position at International  
Labour Conference

**July 2016**  
Contribution to  
MEDEF-ORSE sectoral  
guide on CSR



# ICS PROJECTS IN 2017





**For more information on ICS activities and  
membership, please contact:**

**Carole HOMMEY**

**Tel: 0033 (0)1 40 76 17 21 / 0033 (0)6 89 42 20 90**

[chommey@fcd.fr](mailto:chommey@fcd.fr)

[www.ics-asso.org](http://www.ics-asso.org)