ICS ANNUAL REPORT

2021

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INTRODUCTION

ICS (Initiative for Compliance and Sustainability) is an international multi-sector initiative, created in 1998, with a goal of providing its members with a mutual framework and tools in order to facilitate their responsible action within global supply chains. The initiative mutualizes audit reports and results between members working with the same factory to help avoid redundancies when commissioning audits.

ICS and its members work together to sustainably improve working conditions in factories and reduce impact of factories' activities on the environment. ICS provides tools and technological solutions for suppliers and factories to take charge of their continuous improvement.

ICS makes it possible for its members to:
- Enforce common social and environmental audit frameworks and tools;
- Promote, while respecting competition law, exchanges of information on social and environmental challenges, risks identified in global supply chains and implementation of corrective action plans;
- Promote exchanges with external stakeholders further listed in the report;
- Define common projects supporting production sites and suppliers.

MEMBER COMPANIES

In 2021, **Absorba, agnès b., Beaumanoir Group, Catimini, Chipie, Isabel Marrant, Kiabi, Lili Gaufrette, Rosa Group, Xandres and Z** joined ICS to make up 62 multinational retailers and brands, at the time.

3 PAGEN — Auchan|RETAIL — catimini PARIS — grain de malice — absorba

agnès b. — camaïeu — adeo — GROUPE rosa — ISABEL MARANT

RougeGorge — Coopers OF STORTFORD — CAMAÏEU — MONOPRIX — AIGLE DEPUIS 1853

Club Med — promod — NAF NAF _ LE GRAND MÉCHANT LOOK _ — Besson chaussures — LACOSTE

okaïdi — KIABI la mode à petits prix — pimkie — GROUPE Casino NOURISHING A WORLD OF DIVERSITY — cora — GROUPE BEAUMANOIR

OBAÏBI — Conforama — Bizzbee — Sarenza

La Redoute — LA HALLE c'est vraiment vous — ics — Carrefour — vivarte

sessùn

Z — U les nouveaux commerçants — CWF — CHIPIE — LOUIS PION

Galeries Lafayette — SOURCING & CREATION — XANDRES BELGIUM — MAISONS DU MONDE — MGTS — CAROLL PARIS

damartex GROUP — IKKS — SCHNEIDER CONSUMER | GROUP — oxybul éveil et jeux — LE BHV / MARAIS

DEVRED 1902 — minelli — GUÉRIN JOAILLERIE — GO SPORT — Lili Gaufrette

jacadi PARIS — JULES — TAPE À L'OEIL — Afibel — THE KOOPLES PARIS — orsay

MEMBER COMMENTS

"" **W**ith the main mission of working to make a better world for growing children, IDKIDS has listed all its responsibilities among which:

- **Act for humans**
- **Act for the planet**

It is our **FOREMOST** responsibility to put human beings at the heart of all our commitments. It is our **COLLECTIVE** responsibility to develop each individual's confidence, progress and personal fulfilment, and it's our **POLITICAL** responsibility to create a bond between everybody involved in our company's project to serve the common good.

Also, it is our **ECOLOGICAL** responsibility to ensure the sustainable and integral development of people in their environment.

For this reason, IDKIDS has chosen the Initiative for Compliance and Sustainability (ICS) as a strategic partner to ensure responsible sourcing across our supply chain. Okaïdi, Jacadi, Oxybul, Catimini, Absorba, Lili Gaufrette, Z and Chipie: our brands have enabled 1,313 social audits to be carried out around the world since 2004, 70% of which were completed between 2016 and early 2022.

Our group has also participated in the development of the environmental audit questionnaire and more recently of the environmental checklist with the purpose of deploying these tools as widely as possible across our value chain.

ICS offers us the opportunity to collaborate with other brands, in order to, hand in hand, work for a better world. This valuable alliance, combined with a real support of key partnerships, allows tools and projects to emerge: Sustainability Map, Workers Voice Project, Checklists...

The ICS allows us to combine high requirements and benevolence, using international and not only local standards, and allowing factories to be accompanied through training organized by the International Labor Organization (ILO). ""

While being large players in international trade, this is our duty to ensure that we deal with **ethical partners**, who are as concerned by human rights and their environmental impact as we are.

This is why **MGTS**, on behalf of **Mobivia group** (Norauto, Midas, ATU, Carter Cash, Synchro Diffusion, etc), is very pleased to be part of the ICS association to continuously work on improving the suppliers' network together with other great companies.

Since the ICS association is well recognized by authorities on a global scale thanks to a thorough check of selected audit providers and checklists updated regularly to match the needs, we are convinced that the risks inherent to global sourcing are minimized and reasonably kept under control so our customers can keep entrusting our brands and our group's image remains protected.

Additionally, ICS organization offers clear, unified and recognized tools and methodology, which avoid misinterpretation between our internal teams and external partners. MGTS is then able to access all these good practices and also to share with other members. We are also very proud to contribute to the **Sustainability Map** tool, allowing us to identify the whole supply chain and increase the transparency with our partners about the origin of the products we sell in our stores.

We are glad to be part of this organization.

AUDIT COMPANIES

In 2021, ICS worked with 10 audits companies throughout the world.

Since April 2021, the audit company "Act4sustain" has been in a trial period during which it was tested by ICS members. It is still awaiting approval to be one of ICS fully authorized audit companies.

ICS and the audit companies signed a mutual agreement. This formalized document represents **the code of conduct** that every audit company should follow including **integrity** and **confidentiality** standards.

As per ICS procedures and contract, a high and/or growing number of errors, and identified gaps between the audit company's practices and the ICS Agreement can lead ICS members and team to temporarily or permanently suspend an audit company, in a certain region/country or globally.

ICS audit quality monitoring and process improvement

Statistics and KPI

ICS monitors audit companies' performance through **continuous statistical indicators and KPI analysis (Key Performance Indicators)**.

Statistics and KPI analysis include tracking on the company's response time, audit performance statistics, auditors management and training. ICS team regularly analyzes audit reports at random. Errors are tracked through a dedicated system, and any report can be sent back to the audit company for review, leading to an updated version of the report.

Shadow and counter audits

ICS team carries out unannounced on site visits to observe the auditor's competencies and practices. ICS can also **mandate an audit company** to perform a counter-audit to cross checks findings.

Shadow audits - monitored by the ICS team - as well as counter audits - performed by different audit companies - can be initiated for both social and environmental audits.

As these methods are reliable ways to monitor the audit quality of companies, the past few years, the ICS team has shadowed audits in various countries around the world, such as Bangladesh, Brazil, China, France, Italy, Spain, Morocco, Tunisia, etc.

Collaboration

To enhance collaboration with audit companies, the ICS team and ICS members routinely organize Working Groups, during which current challenges and ways of improvement are addressed.

To ensure continuous improvement, ICS has also developed and continues to develop trainings, e-learnings and documentation for auditors and audit companies.

Partnership

ICS signed an **agreement with *APSCA*** (Association of Professional Social Compliance Auditors).

ICS has signed a Memorandum of Understanding with APSCA and regularly exchanges information with them on auditors' behavior and ethics.

WORKING GROUPS

Transparency and Traceability

The ICS database and tools are made to enhance communication and information sharing between different actors along the supply chain.

To better comprehend and use those tools, ICS Transparency and Traceability Working Group strives to explain and simplify database processes for all actors, including with trainings.

The working group also presents specific projects such as the Sustainability Map platform implemented by the International Trade Center.

Environmental Tools

ICS Environmental Working Group aims to improve the environmental audit process, by sharing members and auditors' experiences and feedbacks. In 2021, ICS continued to work on environmental auditing tools and processes such as the audit questionnaire and guidelines.

A new Environmental Checklist was designed and implemented, to be available for members in 2022.

Social Tools

ICS works to continuously improve its social audit framework and tools. Proposals for improvement are discussed during the Social Tools Working Group. ICS Members shared insights and feebacks gathered from observations made during audit investigations, factory visits or thorough report proofreading.

Primary Production Social Tools

The Primary Production Working Group reached considerable progress and improvements in 2021.

To broaden its area of expertise and respond effectively to members' demands, ICS developed its own **Primary Production social auditing framework**. This tool provides an audit framework for all primary production workplaces such as farms, fields or facilities that process any kind of primary material including in the food sector or the textile industry (e.g., cotton, rubber, etc.).

Risk mapping

In 2021, ICS continued to work on and update different tools evaluating countries risks, including a **Risk Analysis Matrix** that provides a score from 0 to 100 for each country. This score is calculated based on a combination of indicators coming from ICS audit results and external institutional ressources, such as those from the International Labor Organization (ILO), the International Trade Union Confederation (ITUC) and the United States State Department, among others.

ICS regularly monitors risks that directly affect factories worlwide, and incorporates identified issues in its weekly newsletter. In addition, ICS sends Media Alerts to its members when a specific risk is identified in a related factory, all along the supply chain.

Specific needs and specific risks (related to certain regions or industry sectors) are also discussed on a monthly basis between members.

ICS DATABASE

The ICS database is used to mutualize and share audit results between ICS members. It also provides an effective way for ICS member brands to exchange information and communicate with their suppliers and factories.

22 305
Number of active factories in 2021

12 200
Number of factory accounts created in 2021

3 513
Number of supplier accounts created in 2021

The number of ICS database users increased considerably, allowing ICS to reach relevant parties along the supply chain, and therefore, extend its scope of action.

279 013
Number of notifications sent in 2021

61% increase
compared to 2020

ICS sent more than **279 013 notificatons** to members, factories, suppliers and intermediaries in 2021. These notifications relate to the audit process, factory information management (e.g., name or address changes), ICS tools updates or communication and promotion of training programs.

The Factory Profile

With the goal of giving ICS Members a global and complete view of a factory, the online Factory Profile allows them to connect easily with related parties and effectively manage their supply chain.

The Factory Profile (previously in Excel format and now available online) allows factories to provide information on their internal operation processes, characteristics of the facility, workforce details, audits and certifications, etc. The information can then be used for audit organization and for ICS Members to proceed with their internal risk assessments.

When completing the Factory Profile, factories are asked to fill in details on their suppliers and raw materials they use, among other informations. A declaration of third parties working with the factory is also required. Using this data, ICS Members can map their supply chains and work on their traceability.

The Corrective Action Plan

The Corrective Action Plan (CAP) has been available online, on the ICS database, since 2016. The online CAP identifies and lists non-compliances observed by the auditor (relating, for example, to working hours, disciplinary practices, forced labor policies, etc.) on the day of the audit.

With around **1900 CAPs launched in 2021** alone, audited factories and suppliers can upload documents on identified non-compliances after the audit on the ICS database. ICS members can verify, accept and/or refuse the provided evidence. The uploaded documents do not change the audits' rating but they enable collaborative and concrete exchanges. The CAP advancements are mutualized between linked ICS members (members working with the same factory).

Corrective Action Plan progress

	Not started	In progress	Verified
Critical questions with alert notifications	0	0	1
Normal	0	1	6
Total	0	1	7
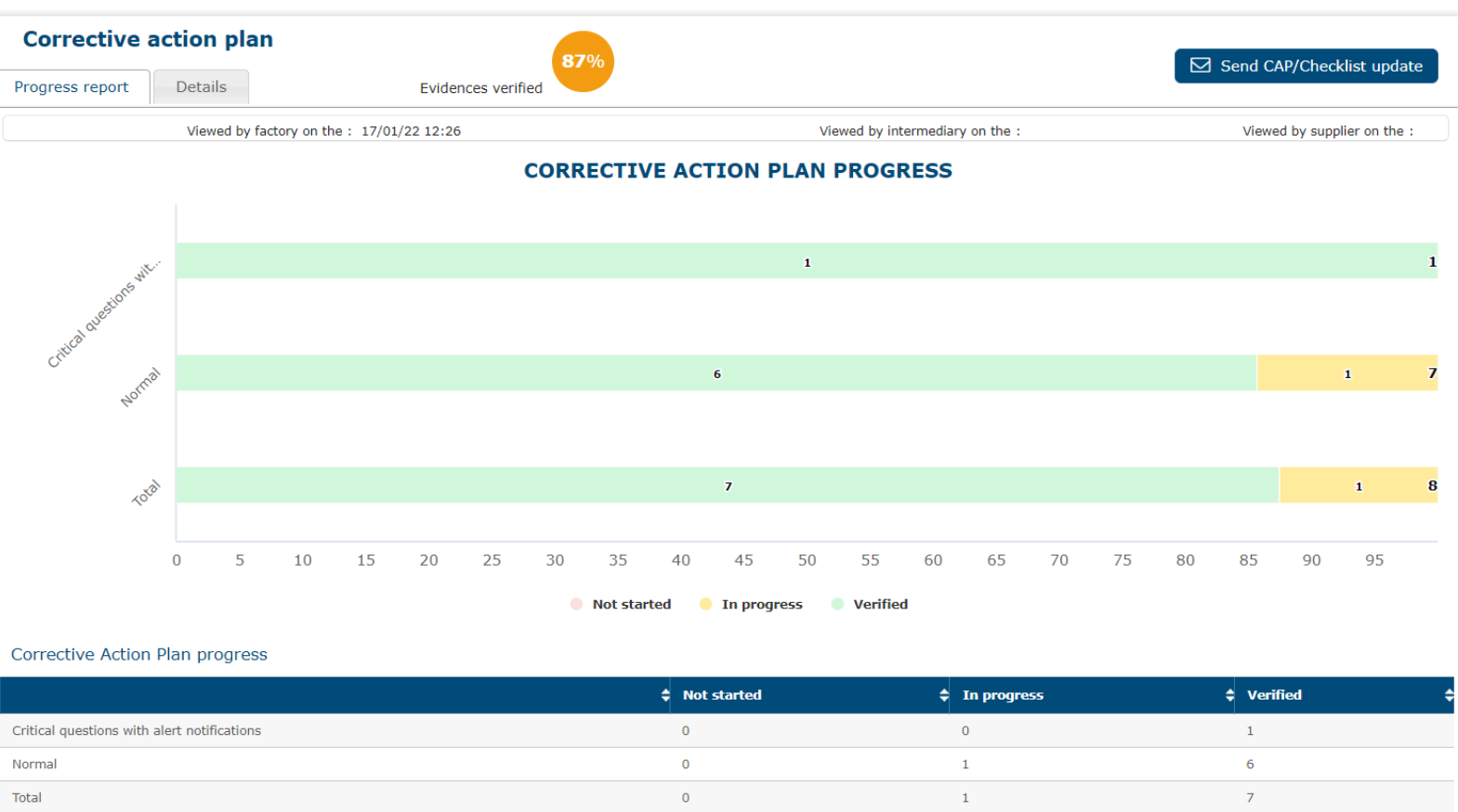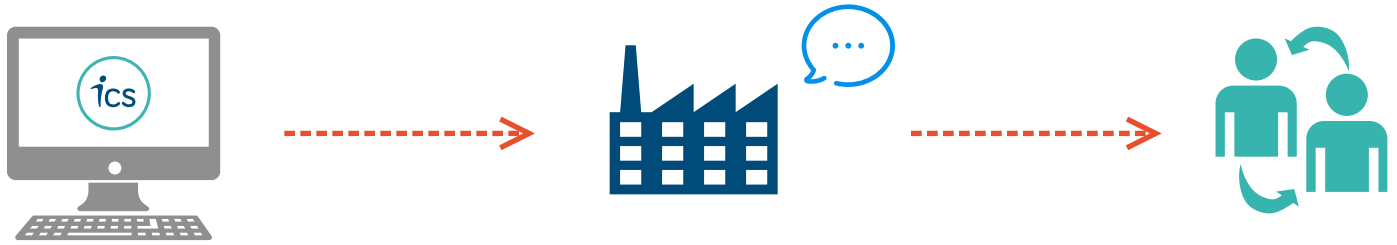
Communication

ICS uses its database in a way that simplifies and enhances the flow of information among all concerned parties (ICS team, ICS members, audit companies, suppliers, factories).

Database communication is used for different purposes:

• To send invitations to factories to participate in training sessions.

In collaboration with ICS's external stakeholders (ILO, ITC, OECD), ICS regularly sends notifications to all factories, invitating them to participate in thematic trainings.

International Labour Organization

ITC **International Training Centre**

Business and decent work - How enterprises contribute to achieve decent work for all (SDG 8)

6 SEPTEMBER–15 OCTOBER 2021

MASSIVE OPEN ONLINE COURSE (MOOC)

FREE

Sustainable, responsible and inclusive business practices have become a critical element of building back/forward better in response to the current crisis.

In this **MOOC**, you will deepen your understanding of the ways and means whereby enterprises can contribute to sustainable development and the achievement of **decent work for all (SDG 8)** through their operations, based on the guidance of the **Tripartite Declaration of Principles** concerning Multinational Enterprises and Social Policy (MNE Declaration).

This unique event organized by the ILO will reflect the diversity of actors which constitutes the field of responsible business and bring together ILO experts and representatives from the UN Office of the High Commissioner for Human Rights (OHCHR), the United Nations Global Compact, the Organisation for Economic Cooperation and Development (OECD) amongst others.

• To communicate on day-to-day updates between the ICS team and related parties on factories' name and address changes, and any possible alerts.

STATISTICS
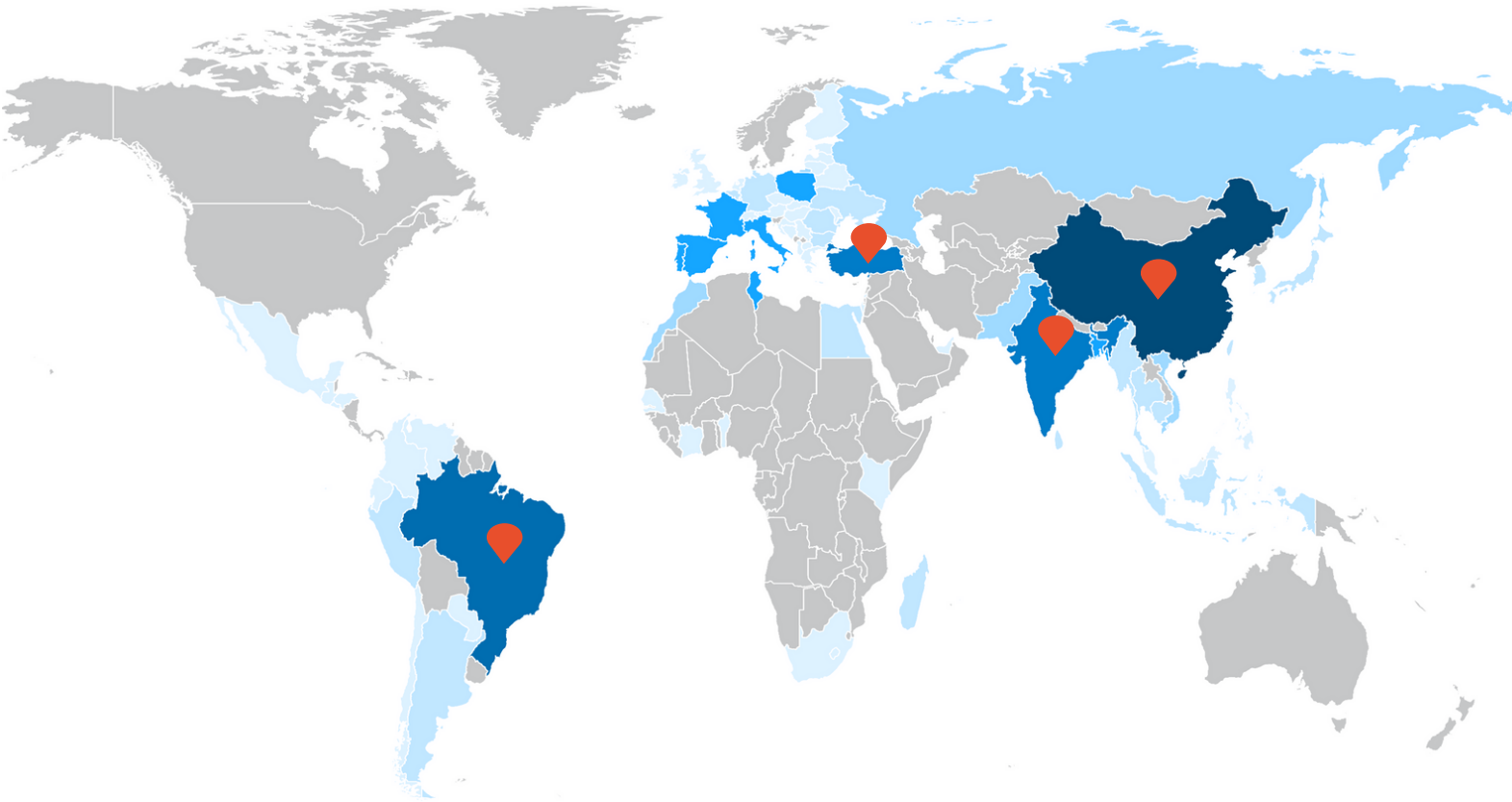
Scale: Number of audits per year in 2021

10   40   75   250   400   750   1000

N.B.: The graph represents the gradation according to the number of ICS audits performed in a given country. As indicated in the legend, the scale goes from light blue to dark blue.
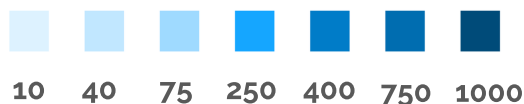
Most audited countries

● Social Audits

4293
3885
3472
3638

Number of audits

2018   2019   2020   2021

Year

● Environmental Audits

811
290
125
41

Number of audits

2018   2019   2020   2021

Year
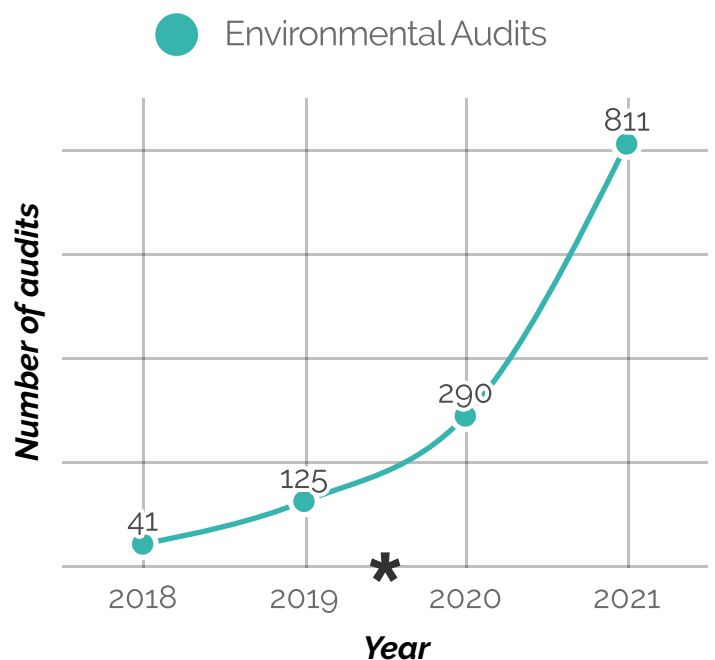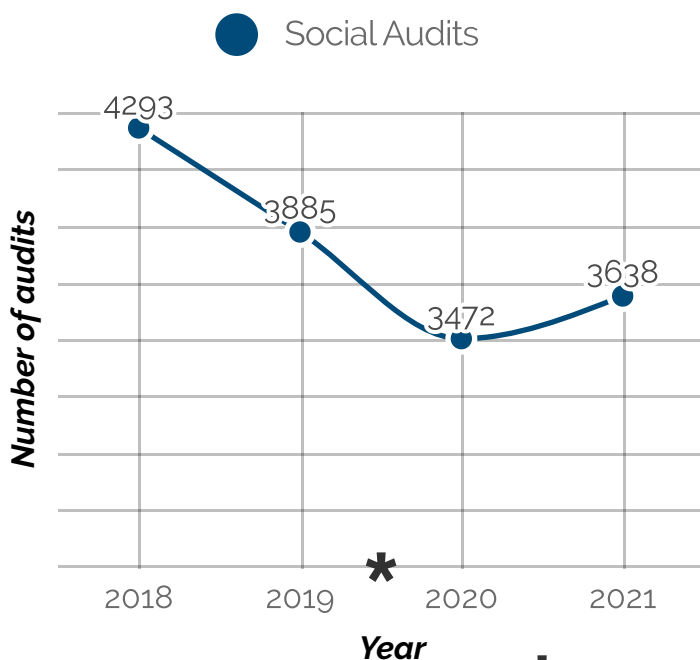
* Begining of Covid-19 pandemic crisis

SOCIAL AUDITS

The ICS rating system is dual, as it is composed of a letter and a percentage. Letters are sorted in a range going from A to E (A being the highest result and E the lowest) and the percentage ranges from 0 to 100.

The percentage indicates the overall degree of compliance of the factory and the letter refers to the degree of criticality related to defined major non-compliances.

For instance, a factory can be globally compliant and then get a high percentage rating. However, if a major non-compliance is identified during an audit, the letter E will be attributed to the factory, indicating a non-compliance that must urgently be corrected, as it poses a potential immediate danger to the workers of the factory.

A violation of ICS and/or international standards, or any question that cannot be properly assessed, is considered a non-compliance.

ICS auditing processes are based on international and internal defined standards, recognized and applied by more than 60 member companies.

The below graph represents the letter and percentage ratings for top 10 social audit volume countries in 2021.

Social audit results for large audit volume countries

Average percentage rating per country

Evolution of social audit ratings

Share of letter rating

Year	E	D	C	B	A
2018	28%	11%	16%	43%	2%
2019	23%	7%	22%	46%	2%
2020	21%	5%	14%	57%	3%
2021	21%	4%	16%	59%	4%

Legend: ● A ● B ● C ● D ● E
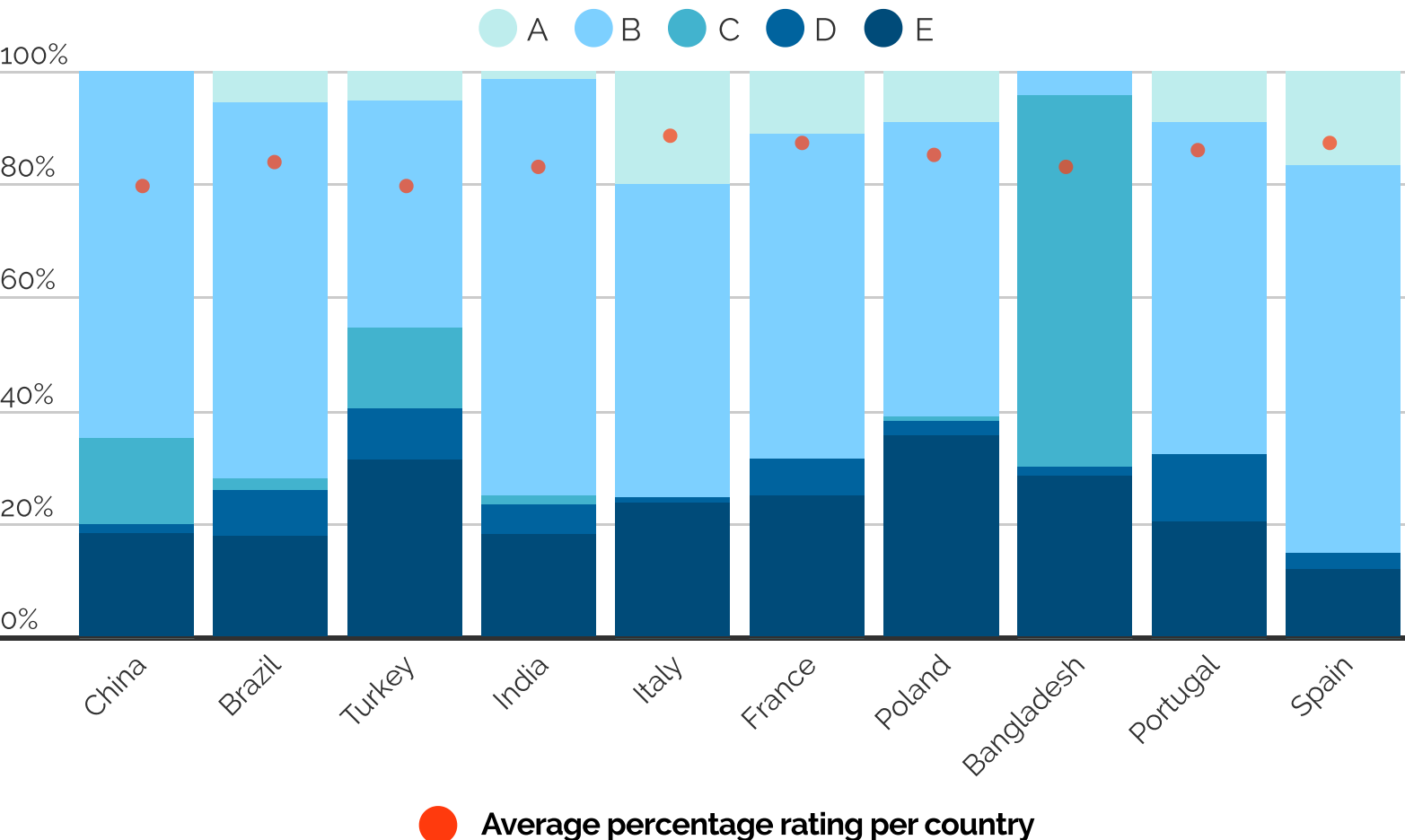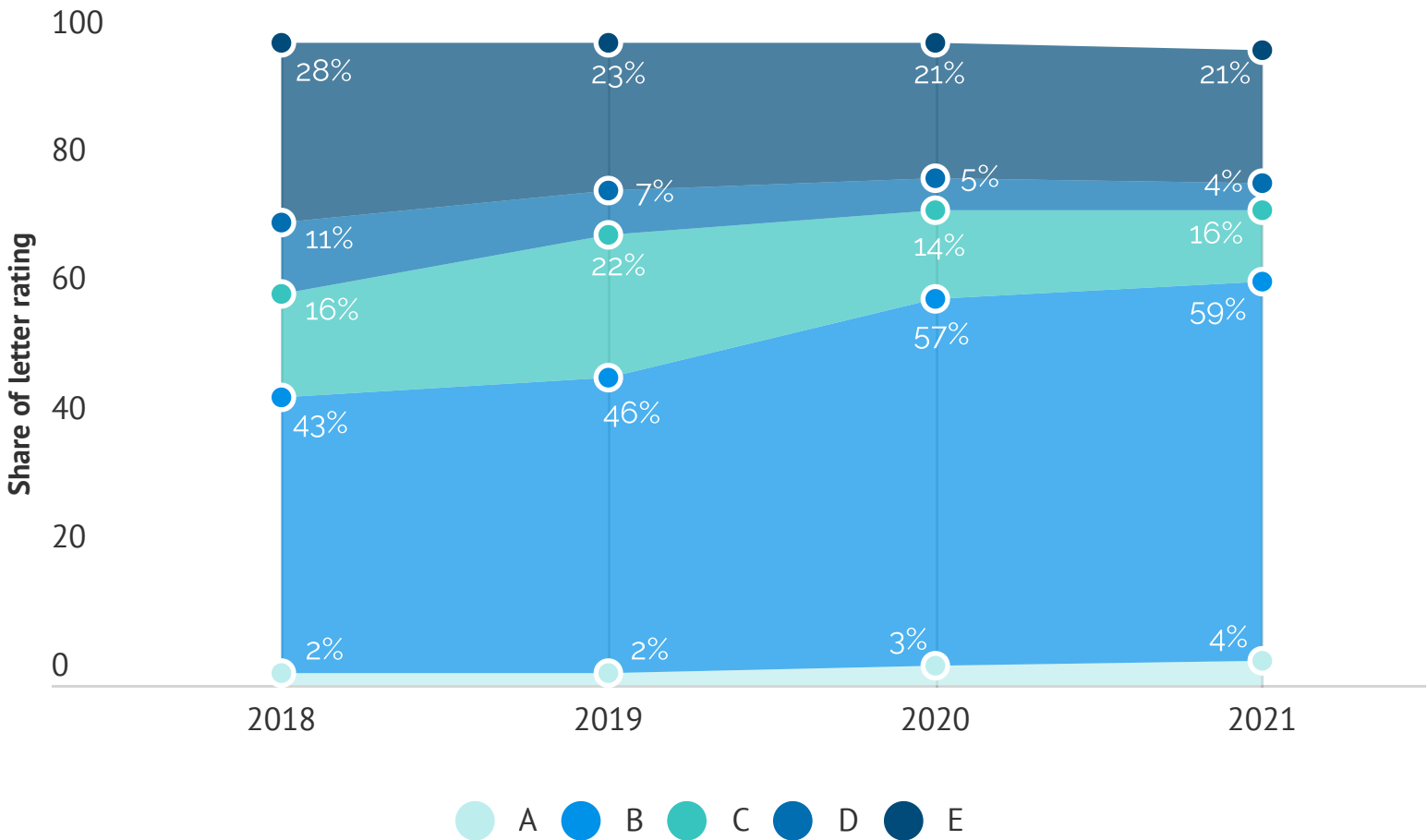
Sigificant **improvement for social audit letter ratings** in the past 4 years

B rating audits: **16% points increase** between 2018 and 2021
E & D rating audits: **7% points decrease** between 2018 and 2021

Average percentage rating: *year comparison*

86%   91%

0%   100%   0%   100%
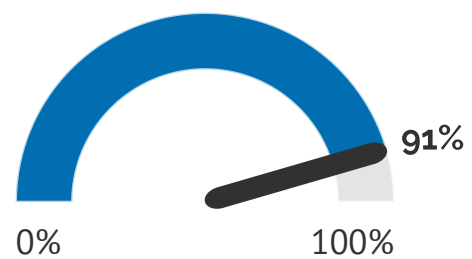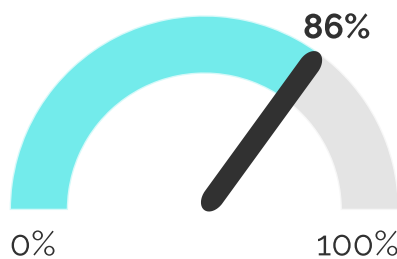
● **2018 & 2019**   ● **2021**

Social audits compliance per chapter

Compliant (A-B) ●   Non compliant (C-D-E) ○

Chapter	Compliant	Non compliant
Management System, Transparency and Traceability	89%	11%
Minimum age, Child labour and Young workers	97%	3%
Forced labour	99%	1%
Discrimination	98%	2%
Disciplinary Practices, Harassment and Abuse	95%	5%
Freedom of association and Grievance Mechanisms	94%	6%
Working hours and Overtime	52% / 48%	48%
Remuneration and Benefits	87%	13%
Health and Safety	73%	27%

The above graph shows the degree of compliance for every chapter of the ICS social audit. Data was collected from all 2021 ICS social audits worldwide (3529)*. An audited chapter receiving between A to B may be considered as compliant. While an audit getting between C and E may be considered as non-compliant.
The rating system allows ICS Members to get a consolidated view for each factory audited by ICS but does not deliver a certificate of compliance. Each member define their internal acceptance thresholds and rules according to their own risk assessment.

N.B.: In total, 3638 audits were initiated by ICS members in 2021 and 3529 of them received a rating. The numbers difference is due to unexpected circumstancies where the audit could not be performed.

Continuous increase of the ICS compliant audits for all chapters (cf. 2019 and 2020 ICS reports)

Working hours and Overtime chapter compliance grew significantly this year - **6 points increase**: 48% in 2021 vs. 42% in 2020

Share of ICS social audits per purchase department

- Accessories
- Appliances
- Contruction
- Food
- Home
- Home Care and Personal Care
- Leisure
- Textile & Clothing
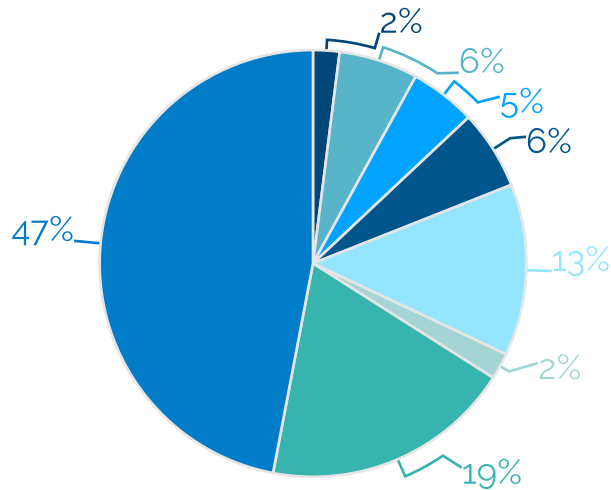
*N.B.: The "Vehicles" purchase department represents a 0,4% share of ICS audits in 2021. The graph above doesn't include data below 1%.

Social audit ratings per purchase department

A B C D E
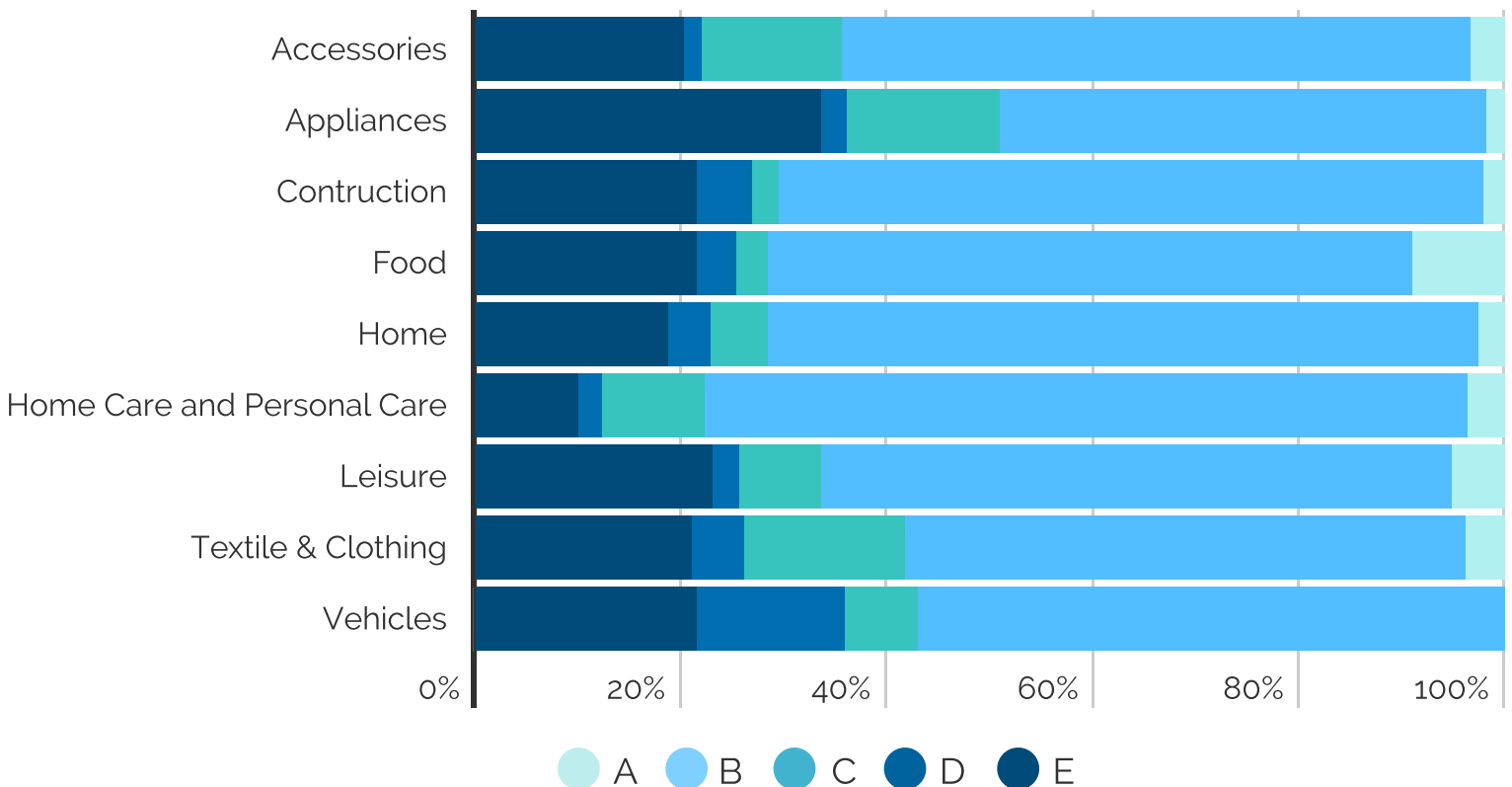
**N.B.: 68 factories have 2 purchase departments. They were counted twice in the above statistics.

Evolution of social audit numbers per region

ICS audit percentage
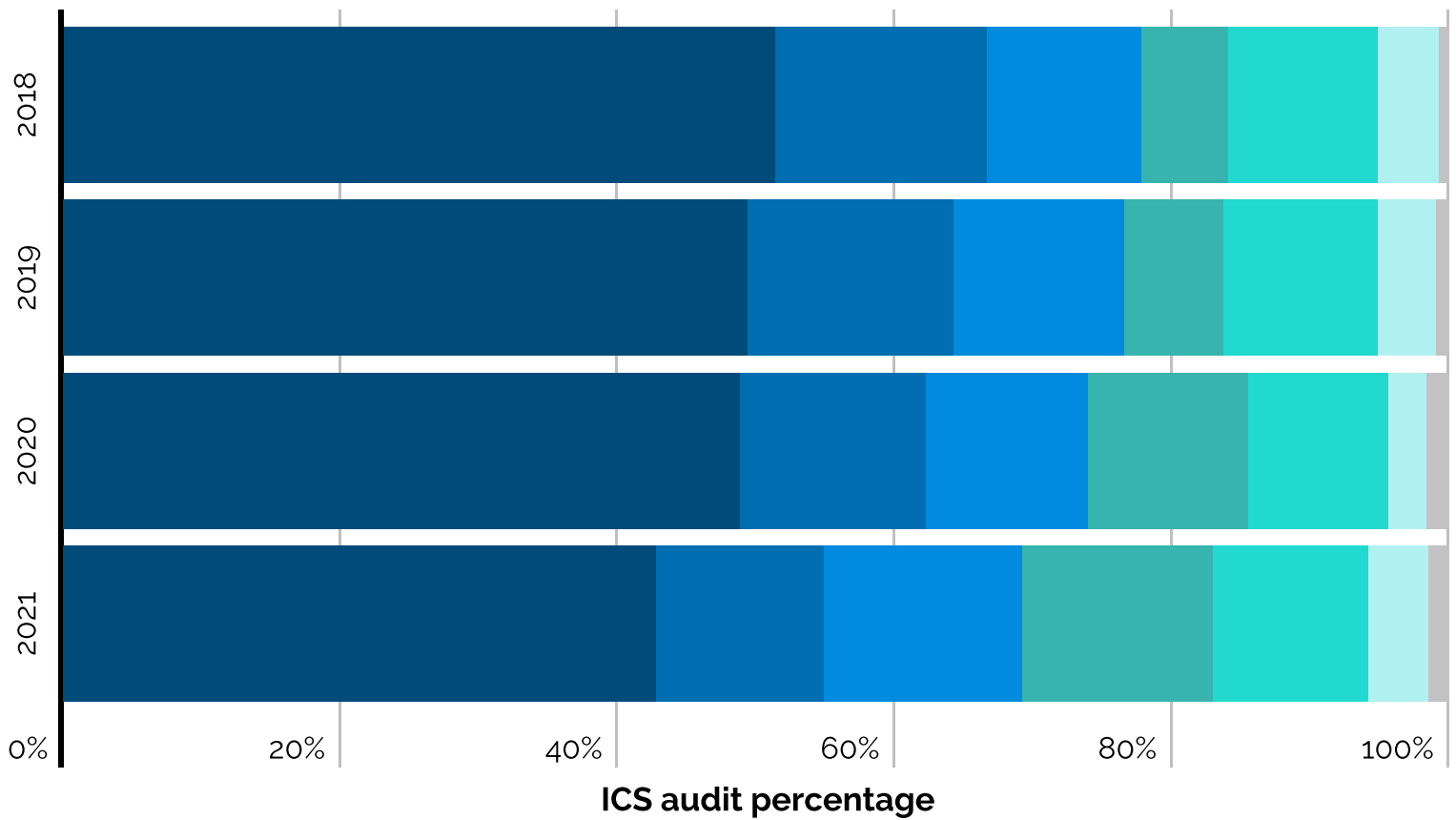
Legend:
- Eastern and Southern Asia
- Southern Asia
- Eastern Europe and Central Asia
- Western Europe
- South America
- Northern Africa
- Northern Asia

Towards a more **equal repartition of social audit number per region**

Eastern and Western Europe social audit numbers have been **increasing** through the **past 4 years**

Eastern and Southern Asia (including China) audit number is **decreasing**

Western Europe focus: Social audit results per year

Legend: A, B, C, D, E — Average percentage rating
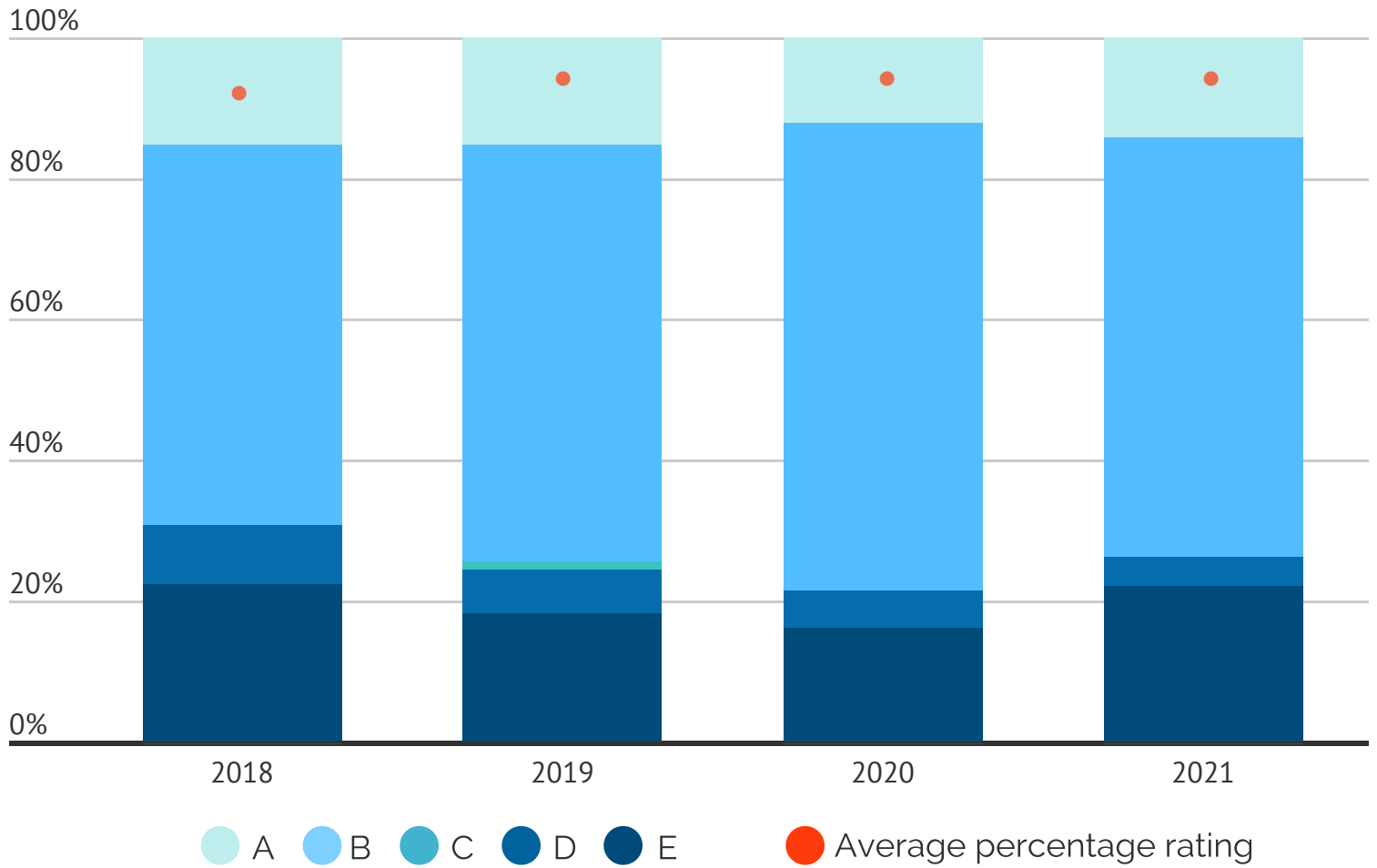
Western Europe average percentage rating has been increasing in the last 4 years, **reaching 95,8% in 2021**

In 2021, Western Europe had the **highest global percentage rating** compared to all other regions

Western Europe focus:
Social audit rating evolution
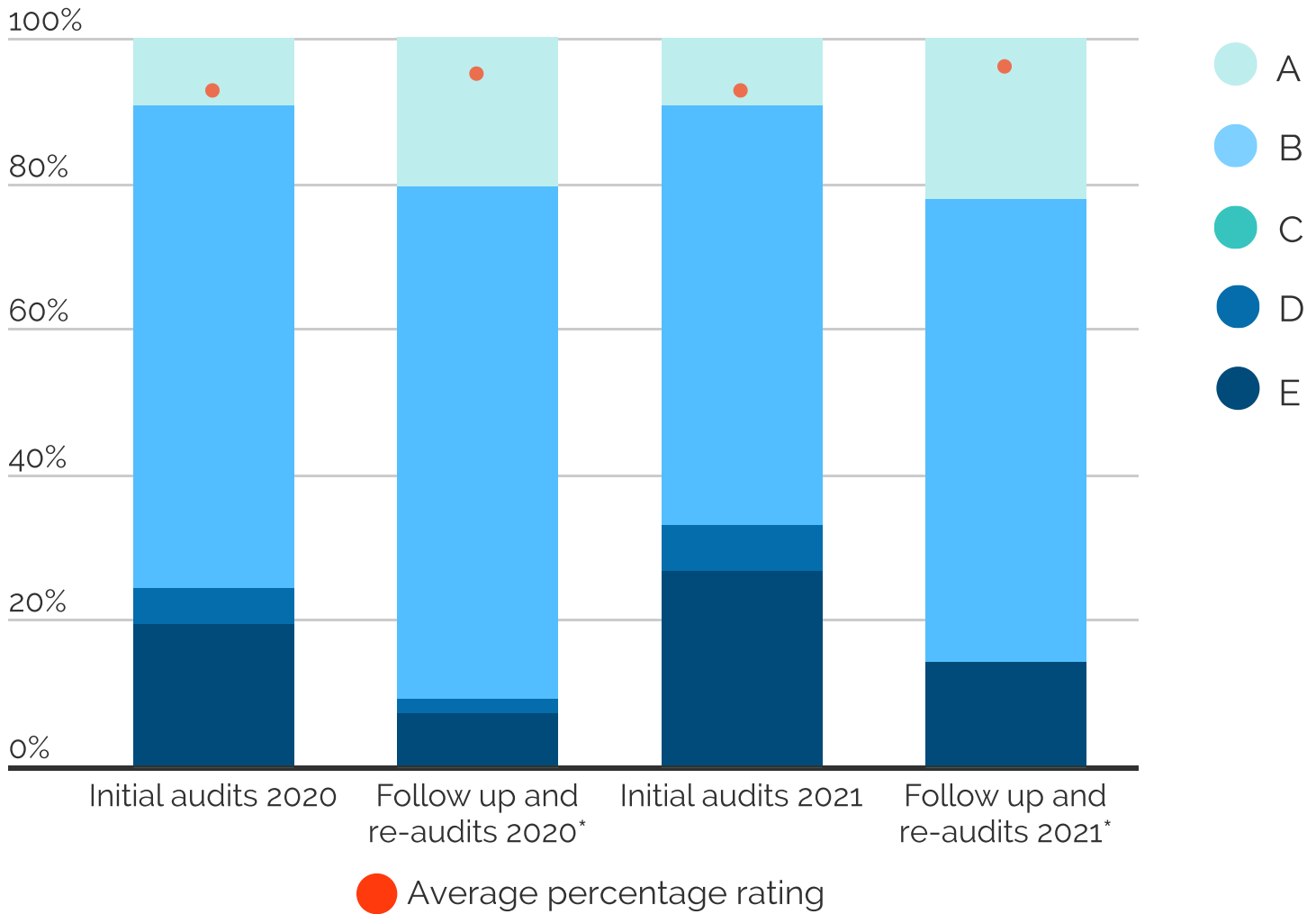
Legend: A, B, C, D, E

- Initial audits 2020
- Follow up and re-audits 2020*
- Initial audits 2021
- Follow up and re-audits 2021*

● Average percentage rating

N.B.: Follow up and re-audits refer to all audits launched in a factory that had already been audited in the past.

Significant change has been noticed for rating evolutions of the region between initial and follow up/re-audit ratings, in 2021:

- **No audits received a C letter rating** for both follow up and initial audits
- **45% points decrease for E** letter ratings

126%

increase in the number of A letter ratings between follow up and initial audits

Eastern Europe and Central Asia focus:
Social audit rating evolution
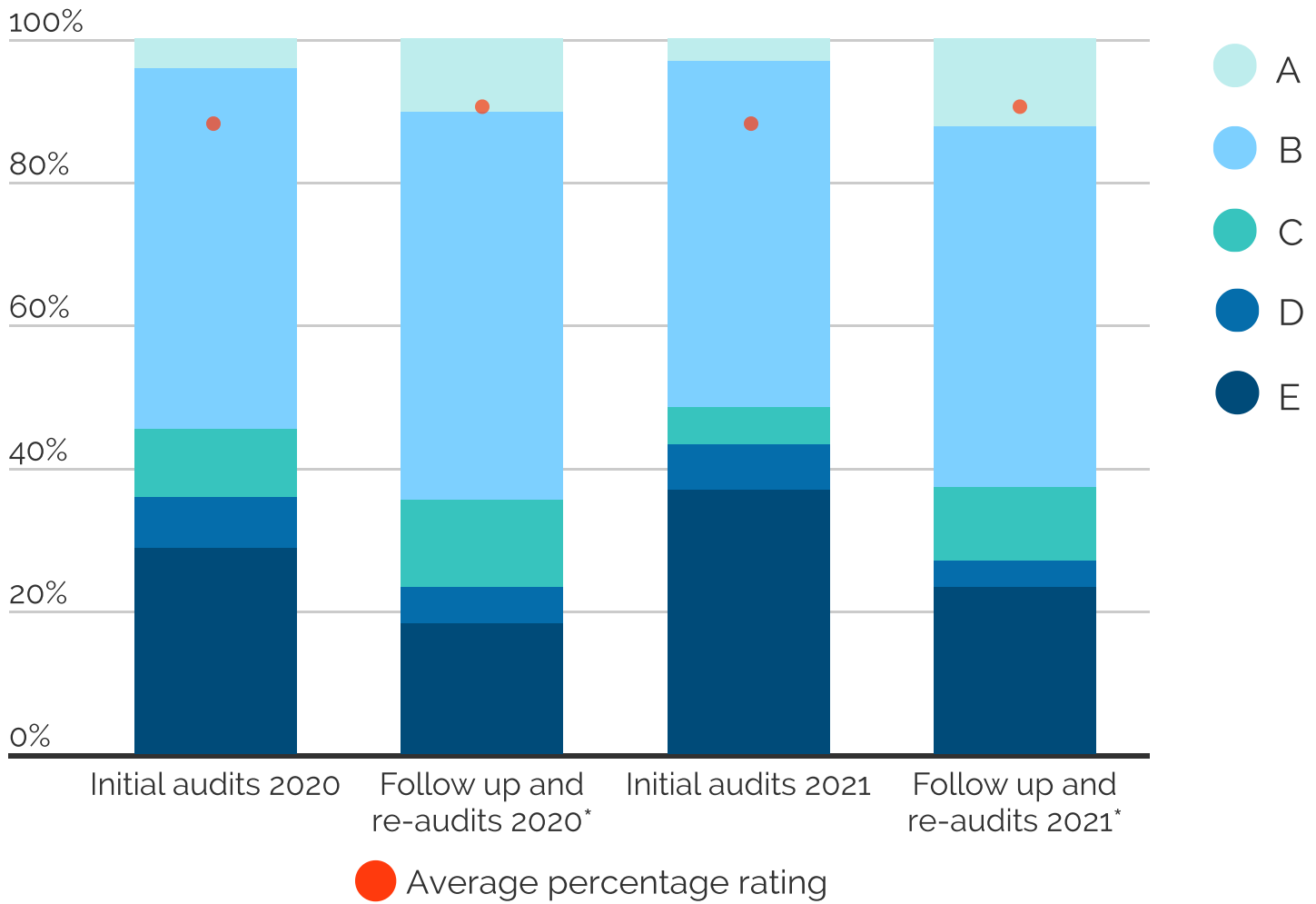
Chart legend: A, B, C, D, E

● Average percentage rating

Categories (x-axis): Initial audits 2020, Follow up and re-audits 2020*, Initial audits 2021, Follow up and re-audits 2021*

N.B.: Follow up and re-audits refer to all audits launched in a factory that had already been audited in the past.

▶ Eastern Europe and Central Asia global percentage rating has been increasing in the last 4 years, **reaching 90,5% in 2021** (88,9% in 2018)

▶ **Turkey is the 3rd most audited country in 2021** in terms of the number of ICS social audits per year

Significant change has been noticed for rating evolutions of the region between initial and follow up/re-audit ratings, in 2021:

- **8,5% point increase for A** letter ratings.

- **14% point decrease for E** letter ratings.

72%
of follow up and re-audits are compliant

South America focus: Social audit results per year

Legend: A, B, C, D, E (ratings); Average percentage rating
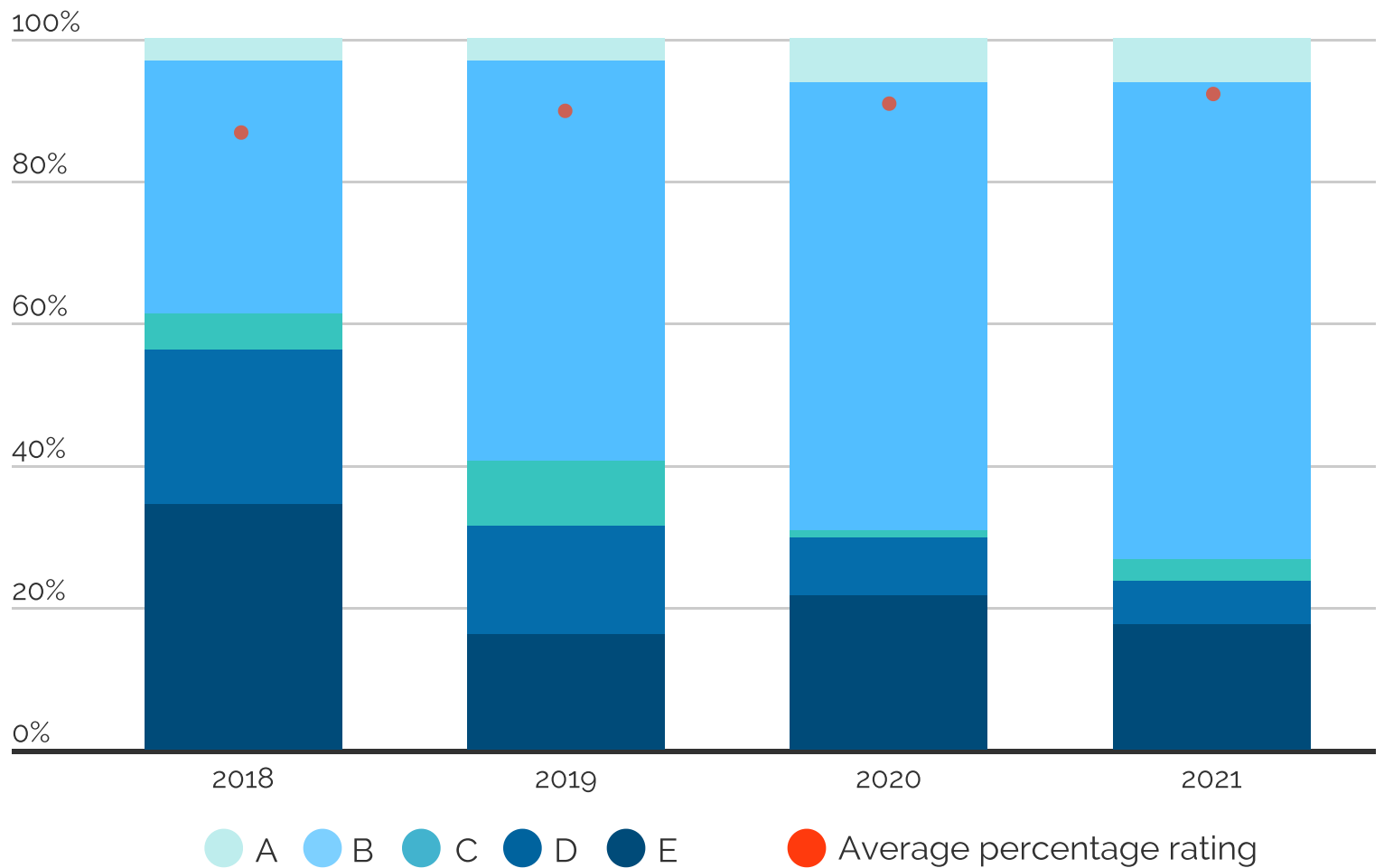
South America global percentage rating increased by 5% between 2018 and 2021

Brazil is the 2nd audited country in 2021 in term of ICS social audit numbers per year

Significant change for South America social audit ratings has been noticed between 2018 and 2021:

- **17% points decrease for E** letter ratings
- **14% points decrease for D** letter ratings
- **3% points increase for A** letter ratings

67%

increase of B letter rating

ENVIRONMENTAL AUDITS

The ICS audit rating for environmental audits is also double and is represented through a letter (ranging from A to E; A being the highest and E - the lowest result) and a percentage (ranging from 0 to 100). The percentage reports the degree of compliance of the factory and the letter refers to the degree of criticality related to defined major non-compliances. However, as environmental audits are rather new compared to social audits, so far major non-compliances, called alert notifications, do not impact the final rating.

Environmental auditors use a comprehensive and pedagogic approach adapted to the context of ICS environmental audits. None the less, any question that cannot be proven by the factory, auditors will consider it as being non-compliant, using triangulation techniques.

The below graph represents the letter and percentage ratings for top 10 environmental audit volume countries.

Environmental audit results for large volume countries

Legend: A ● B ● C ● D ● E

X-axis: China, Brazil, France, Italy, Bangladesh, Spain, India, Turkey, Poland, Pakistan, Portugal

● Average percentage rating per country
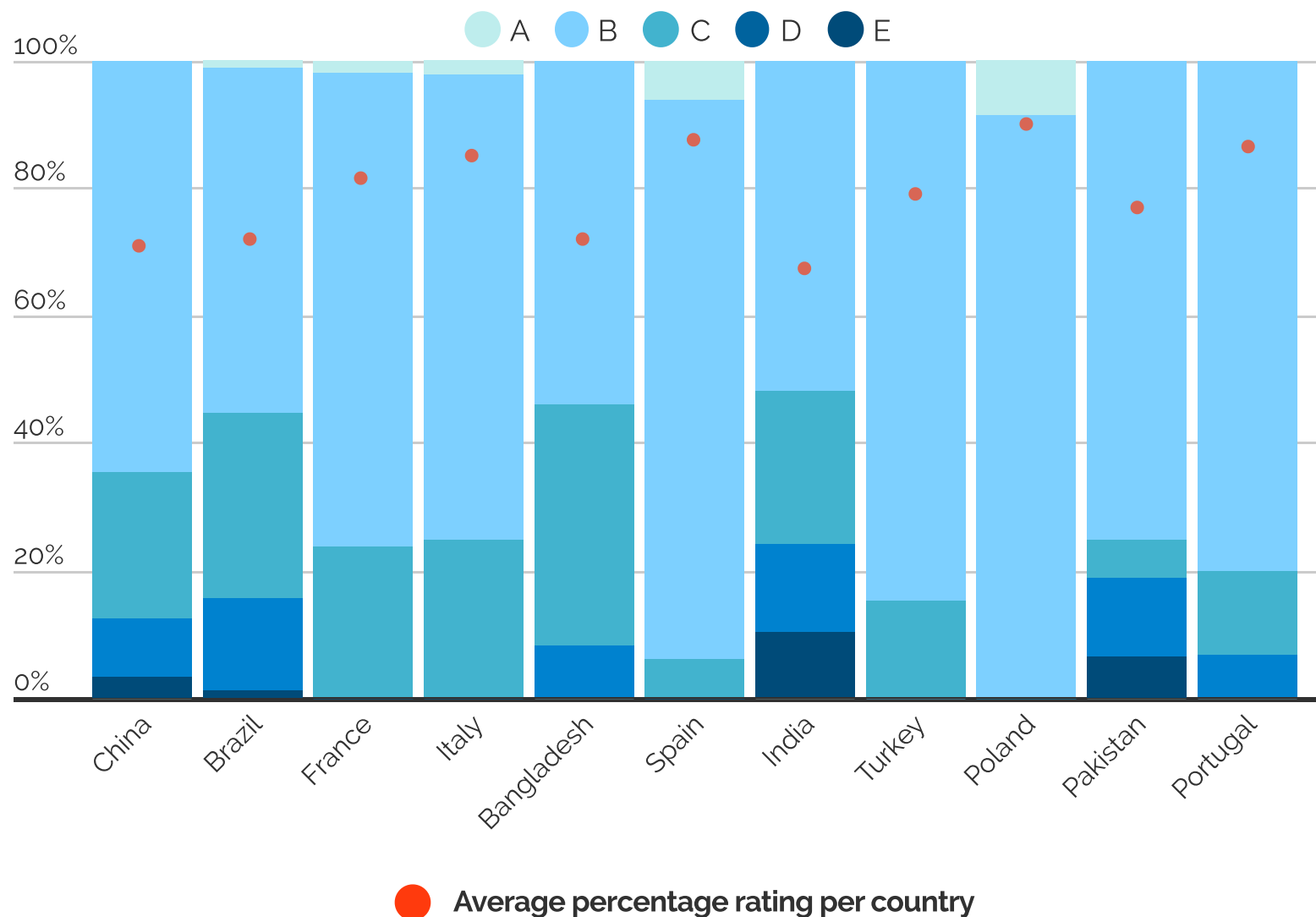
Evolution of environmental audit rating

Percentage of letter rating

	2018	2019	2020	2021
E	10%	16%	3%	2%
D	29%	27%	12%	7%
C	34%	27%	20%	23%
B	27%	31%	62%	67%
A	0%	0%	2%	1%

Legend: ● A ● B ● C ● D ● E
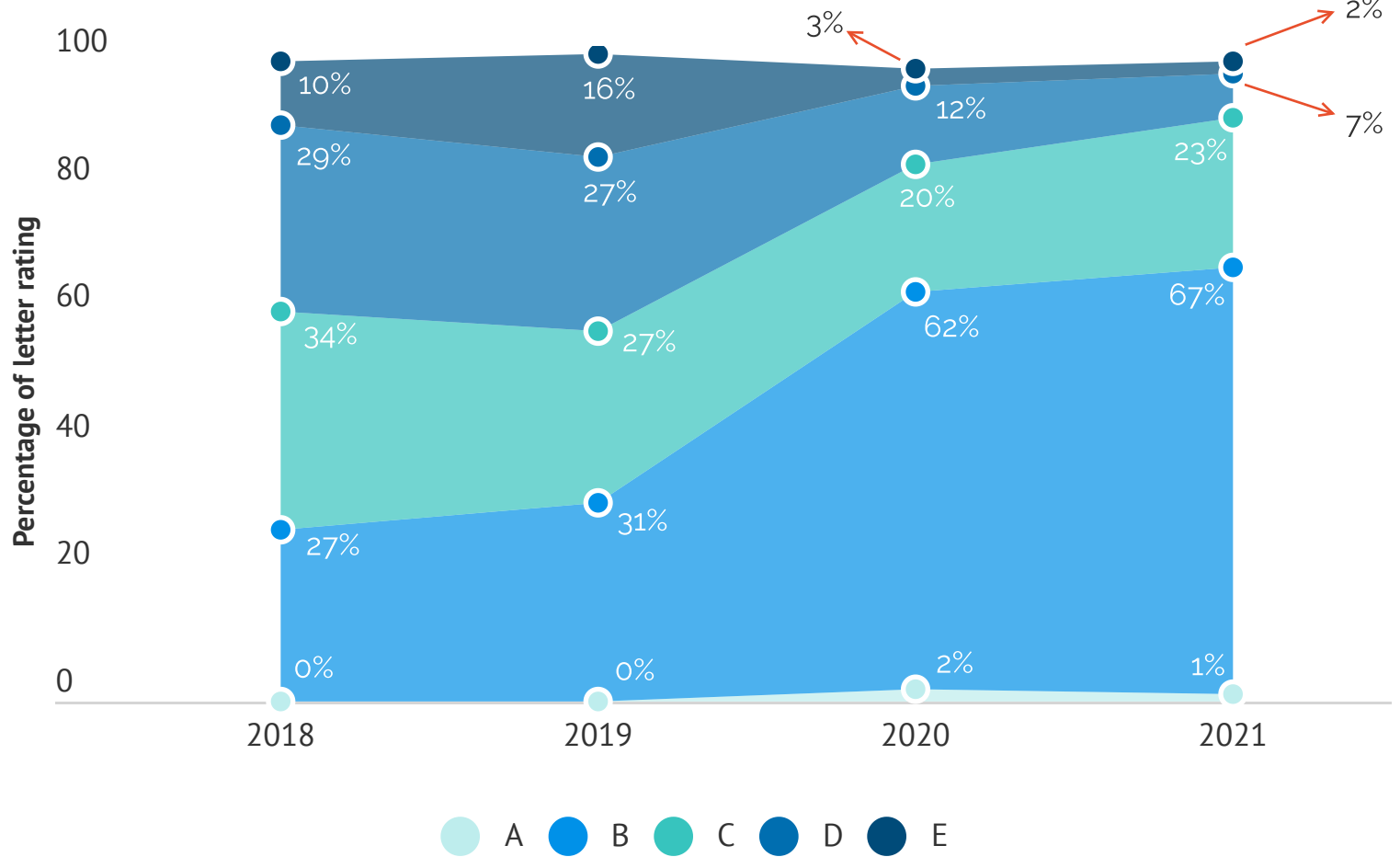
Significant **improvement of environmental letter rating audits** over the years

B rating audits share: **5% points increase** between 2020 and 2021
D rating audits share: **5% points decrease** between 2020 and 2021

Average percentage rating: *year comparison*
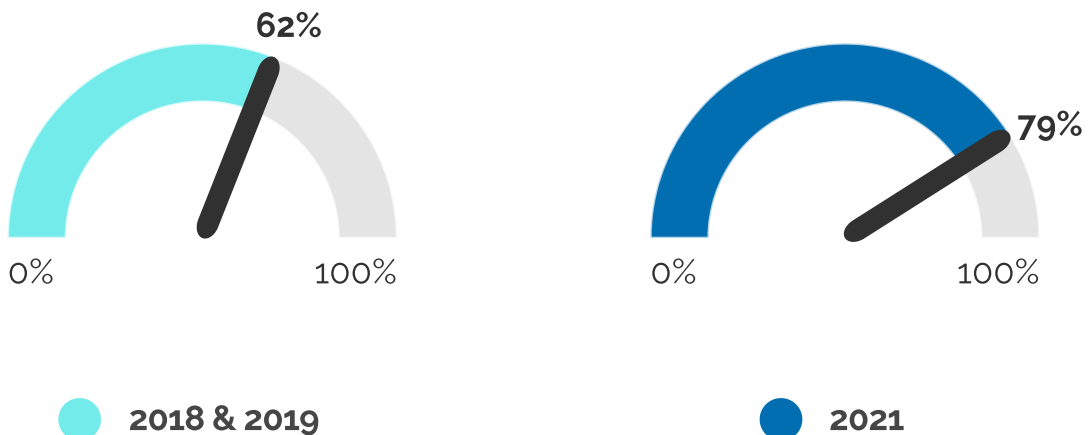
62%
0% 100%

79%
0% 100%

● **2018 & 2019**   ● **2021**

Environmental audits compliance per chapter

● Compliant (A-B)　　● Non compliant (C-D-E)

Chart showing environmental audits compliance per chapter:

Chapter	Compliant (A-B)	Non compliant (C-D-E)
Environmental Management Systems	50%	50%
Energy Use, Transport and Greenhouse Gases (GHGs)	54%	46%
Water Use	76%	24%
Wastewater and Effluent	83%	17%
Emissions to Air	84%	16%
Waste Management	64%	36%
Pollution Prevention and Hazardous and Potentially Hazardous Substances	56%	44%
Emergency Response Management	78%	22%
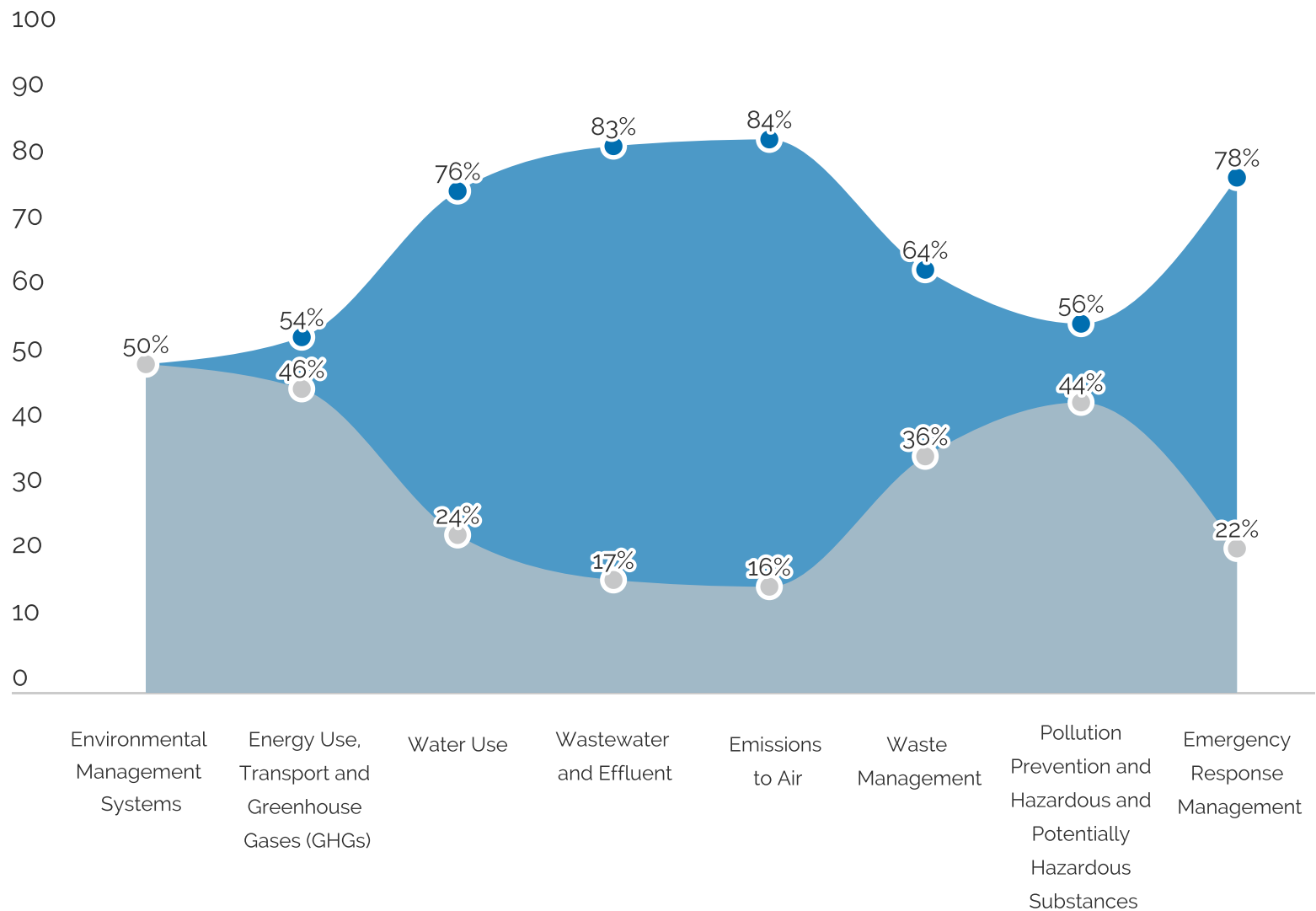
*N.B.: 203 factories have not been evaluated for the "Wastewater and Effluent" chapter due to their activities that do not discharge wastewater and effluent.

▶ **All chapters have a percentage rating of 50% or above**

▶ **5 chapters out of 8 improved their percentage rating** or stayed the same when comparing data between 2020 and 2021

Significant improvement have been made regarding factories compliance. By comparing the rating evolution between initial and follow-up/re-audits, the following can be seen:

- The global percentage rating **increased by 4%** for Pollution Prevention chapter.
- The global percentage rating **increased by 3,5%** rating for Emmisions to air chapter.

41%

Of ICS environmental re-audits improved their overall rating

Environmental average percentage rating per region
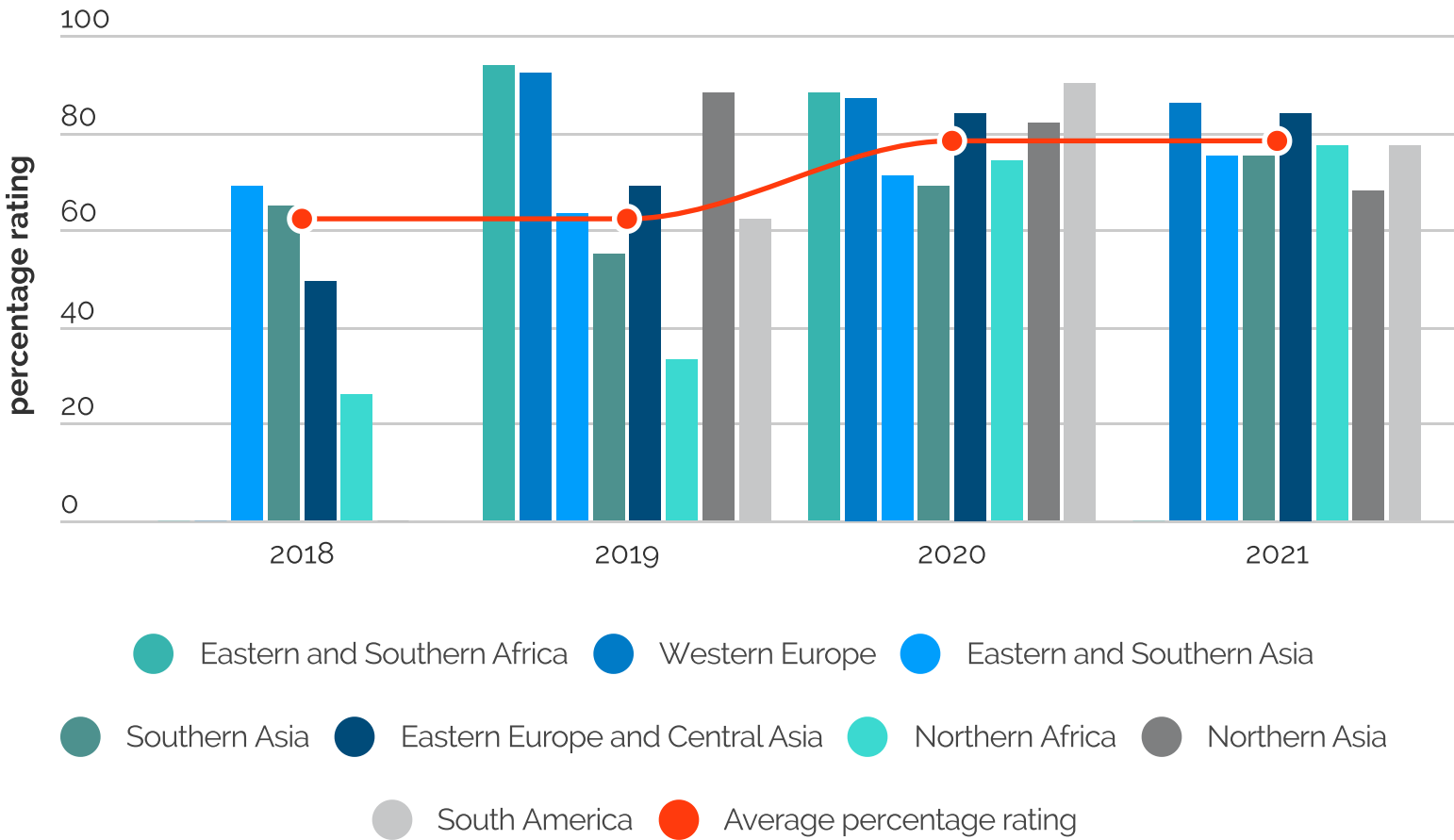
*N.B.: The following regions have a small number of environmental audits per year: Northern Africa, Eastern and Southern Africa, Northern Asia, and South America (this last one had a small audit numbers except for 2021)

In 2020 and 2021, **all regions were environmentally audited with ICS process and standards.**

In 2021, **all regions percentage rating are close** to the global average percentage rating

Since 2019, Western and Eastern Europe have always had **above average percentage ratings.**

COMMON POSITIONS

ICS continues to work with its stakeholders and authorized audit companies on **investigating and identifying specific risks**, which sometimes results in a **common position** further helping to harmonize audit ratings between companies. These specific issues and situation are very diverse, including but not limited to legal matters such as working hours, minimum wage or workers rights of association.

In this investigation process, the **RETEX** (RETurn on EXperience - Feedback) is crucial, as valuable information from authorized audit companies allows ICS to analyze challenges at stake, and adopt a statement that best addresses the situation. ICS further **informs its members** regarding the adopted position and updates its **auditing tools and guidelines** to render them more precise and adapted to the situation.

ICS elaborates and participate in 2 types of common positions:
- **Common positions adopted with stakeholders**. These positions are external and rule on an identified political risk or issue. Statements are sent to govenment representatives.
- **ICS common positions**. They are made to internally clarify and harmonize legal requirement applications for a specific situation. They are shared with ICS members and audit companies.

Myanmar

> ICS continuously investigates potential risks in specific areas and discusses each situation during the Risk Analysis Working Group.
> In 2021, specific issues were observed on Bangladesh, Morocco, Myanmar and Turkey and resulted in **5 different common position**.

As part of the MSI Emergency Group, on March 2nd, 2021, ICS, along with AAFA (American Apparel and Footwear Association), amfori, ETI Sweden, Ethical Trading Initiative, Ethical Trade Norway, FLA (Fair Labor Association), Fair Wear Foundation and SAI (Social Accountability International), co-signed a Letter adressed to the Myanmar military government following the February coup.

The Letter expresses preocupation from the garment and footwear sector regarding civil and human rights matters, stability of the sector and consequences on Myanmar exportations.
The joint Letter requests the restoration of the legitimate civilian government and urges all brands and suppliers doing business in Myanmar to continue honoring commitments made to factories. It encourages them to keep an active dialogue with worker representatives and trade unions to ensure the respect of Myanmar workers' human rights.

How to adopt a common positions:
Turkey – ISKUR Agency Workers

1 **Identify the issue**

ISKUR workers are official agency trainee workers according to Turkish laws. ICS audit companies were in disagreement on whether to include ISKUR workers as employees that should be trained as first aiders.

2 **Identified question**

Should audit companies include ISKUR workers when calculating the number of workers that should receive Occupational Health and Safety (OHS) trainings?

4 **Feedback from audits companies**

The ICS team did research on past decision made regarding such specific topic.

ICS consults its authorized audit companies through what is called a "RETEX" and summarized the feedback received.

3 **Related research**

5 **Discussion with ICS members**

ICS meets with its members during a Working Group to discuss the current problem, possible solutions and expected outcomes.

6 **Adoption of a common position**

A **common position was adopted** by ICS and sent out to authorized audit companies.
Decision was made that, according to Turkish laws, auditors must **include ISKUR workers in the total workforce** regarding OHS trainings. The percentage of ISKUR workers in the factory should be then indicated in the audit report.

STAKEHOLDER ENGAGEMENT

ICS is constantly in contact with different external stakeholders to discuss, share new ideas, and engage in common projects and initiatives.
In that sense, meetings are organized throughout the year, addressing diverse matters and subjects.

ICS and ILO collaborate to raise awareness among ICS members on the **Tripartite Declaration of Principles** concerning **Multinational Enterprises and Social Policy** (MNE Declaration), and relevant ILO tools such as the Company-Union Dialogue and the Helpdesk for Business on International labour Standards.
ICS and ILO agreed to collaborate in order to promote business practices that align with international labour standards and contribute to decent work for all.

A major part of the partnership is promoting ILO training modules, resources and tools among ICS members and their suppliers to encourage responsible business conduct. ILO ressources are available for members, to support strengthening social and environmental compliance of factories.
In 2021, ICS contributed to **organize, with the ILO, a MOOC** (Massive Open Online Course) on the ways and means whereby enterprises can **contribute to sustainable development** and the **achievement of decent work for all** (SDG 8) through their operations. ICS also participated in the closing session by presenting what ICS is doing to contribute to the realization of decent work in enterprises.
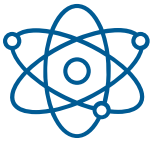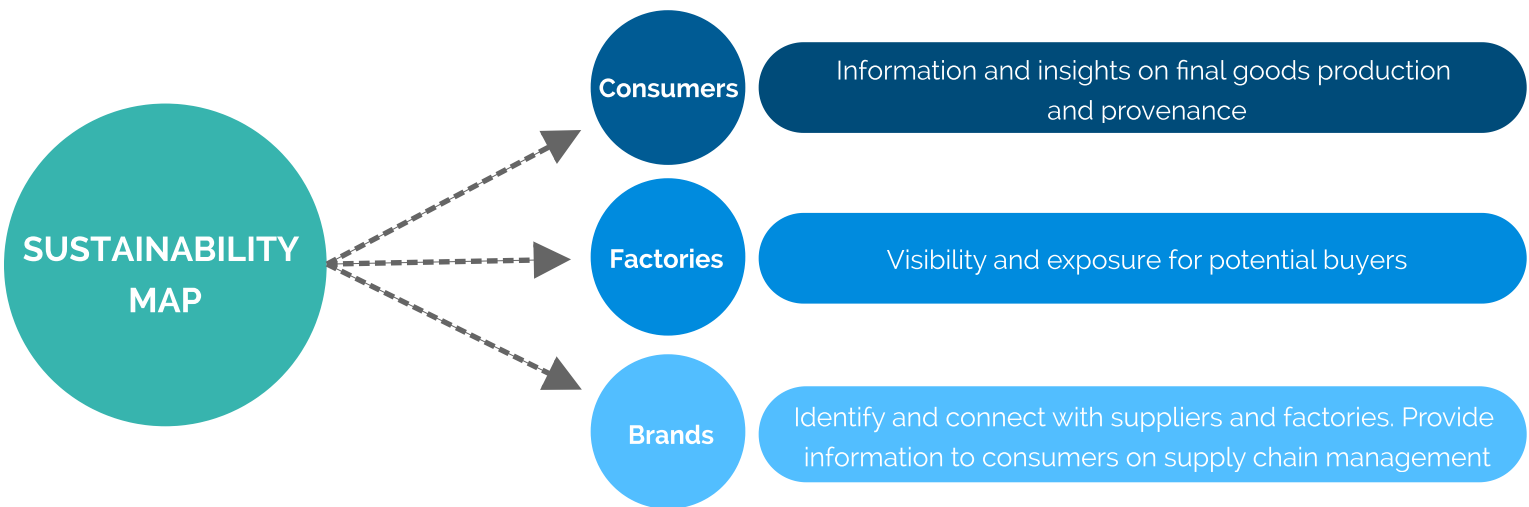
Sustainability Map

For more than 2 years, ICS has been closely collaborating with The **International Trade Center** (ITC) around the **Sustainability Map** project. The platform is a free online gateway provinding users a direct access to wide-ranging information related to businesses' supply chain information and pratices. The information available on Sustainability Map comes from the online Factory Profile (cf. supra) on the ICS database, among others. All factories' and suppliers' information is verified and made public for participating organizations. The platform provides useful information for clients and customers by tracing the origin of manufactured products.

Designed to **enhance international supply chain transparency**, the project offers visibility and exposure to businesses, as well as the opportunity to connect with future partners sharing the same vision. Sustainability Map also gives insights and information on supply chain traceability mapping, from the brand direct supplier to the raw material supplier and manufacturer, enabling consumers to see where a product comes from and how it is manufactured.

SUSTAINABILITY MAP

Consumers → Information and insights on final goods production and provenance

Factories → Visibility and exposure for potential buyers

Brands → Identify and connect with suppliers and factories. Provide information to consumers on supply chain management

ITC projects

ICS long term collaboration with ITC is diverse, and includes different projects.

For more than 4 years, ICS has been working on the **ITC Standards Map project**, a United Nations initiative that references sustainable standards worldwide. In this way, it gives brands, suppliers and consumers the opportunity to identify, compare, and monitor compliance and sustainability standards. Standards Map also provides companies and suppliers a tool to self-assess their current standard compliance process and connect with like-minded business partners, to improve their sustainability readiness.

In 2021, ICS and its members continued to actively contribute to **ITC Sustainability Gateway**, a plateform that englobes Standards Map, Sustainability Map and SheTrades.com.
Several ICS brands members contributing to these projects **shared their vision publicly** regarding their commitment to actively engage in sustainable business activities and promote sustainabale trade.

ITC projects

Testimonials from brands

"We were more than happy to be the pilot in the ITC-ICS project and involve our supply chain into Sustainability Map.

In this increasingly complex world, supply chain traceability is crucial and remains one of brands biggest challenge. It goes along with a requirement from all stakeholders to brands for more transparency.

ITC Sustainability Map tool is helping us to address both needs by:

- providing one more way to collaborate with our peers to address the issues we can find in our supply chain;
- involving respectfully all stakeholders, especially suppliers and factories, under the neutral roof of the UN. We need to get them onboard willingfully ;
- creating a public network of validation for factories information."

"Camaieu is proud to be part of this supplier mapping project led by ITC in partnership with ICS.

This traceability and transparency project is perfectly in line with the corporate CSR strategy that we have been pursuing for several years now.

This mapping allows us to engage the responsibility of our suppliers in this process of transparency and to strengthen our partnerships.

We are thus moving towards better control of our supply chains, which will allow us to improve our social and environmental impact in a targeted and concrete manner."

"As a committed brand, Tape à l'oeil has implemented a corporate social responsibility (CSR) transformation plan across its entire supply chain with the following priority objectives;

- reducing its footprint,
- improving the environmental and social quality of its products as well as transparency and traceability.

In this context, Tape à l'oeil is engaging with ITC in collaboration with ICS on a project that will eventually allow us to map its entire value chain from fiber to the finished product. "

"Jules is proud to participate and support the Sustainability Map plateform which promotes Transperancy and Traceability among Jules ' Supply Chain.

Jules considers that transparency is a huge tool for decent working conditions by identifying negative social and environmental impacts.

Jules has always supported suppliers promoting sustainability in their production.

The sustainability Map aims to address a big challenge to build trust with our suppliers."

Diverse partnerships

ICS has been collaborating with OECD for more than 4 years and continued its partnership in 2021. The Initiative for Compliance and Sustainability participates in the OECD Advisory Board.
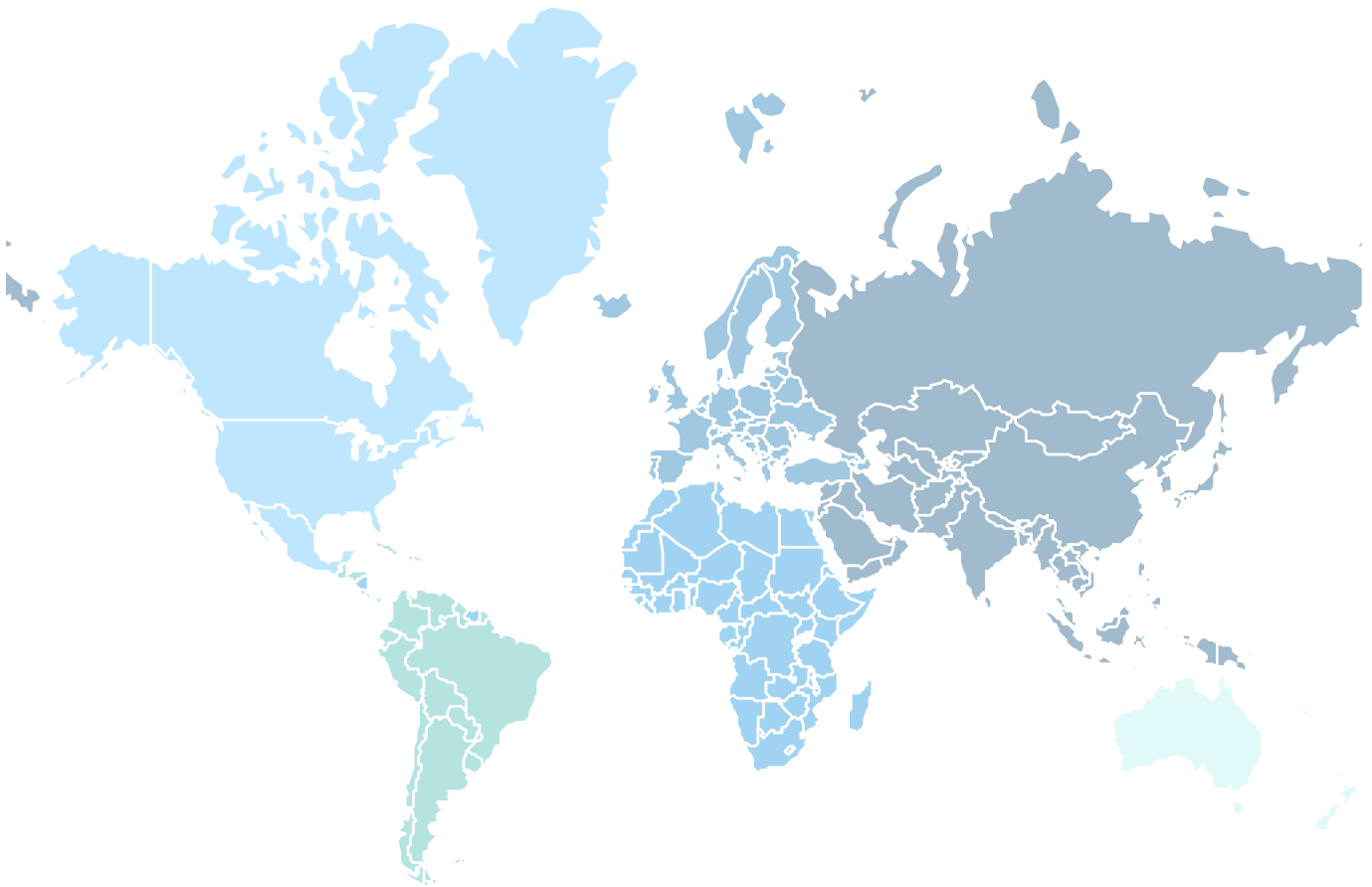
The office of the French National Contact Point (NCP) is a national agency composed of representatives from several ministries, trade unions and an employer's federation. The NCP conducts promotional activities and contributes to enhancing the implementation of the OECD Guidelines. ICS has been collaborating closely with the NCP for several years by sharing its continual tools and methodology updates.

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