

4 ICC-Guidance and ICC-Guide to responsible sourcing

4.1 Description and commentary

What is the International Chamber of Commerce?

The International Chamber of Commerce (ICC), also known as the World Business Organisation, was founded in 1919 with the aims of promoting an open market for international trade and investment and of protecting intellectual property rights. It represents enterprises in many different sectors in 130 countries. One of the ICC's tasks is to draw up codes and standards for the international business community. In 1991, for example, it drafted a Business Charter for Sustainable Development.

In late 2007, the ICC published its *Guidance on Supply Chain Responsibility*, which offers a general discussion of supply chain responsibility (or “responsible sourcing”) and a number of practical recommendations intended to help enterprises implement supply chain responsibility in their operations. In 2008, the ICC published its *Guide to Responsible Sourcing*, which presents a six-step plan to implementing its recommendations. Section 4.2 contains the general discussion from the *Guidance on Supply Chain Responsibility*; section 4.3 contains the *Guide to Responsible Sourcing* and the six-step plan.¹

Why are the ICC Guidance and the Guide to Responsible Sourcing important?

The value of these ICC documents lies primarily in their international popularity and application. Public expectations go beyond the activities of international enterprises and their subsidiaries; they also, and increasingly, concern the supply chains of international enterprises, specifically in sectors where parts of the production process are outsourced to third parties. The related national legislation and supervision is inadequate in many countries. In its *Guidance on Supply Chain Responsibility*, the ICC looks at this problem and makes specific recommendations describing how enterprises can encourage compliance with social and environmental criteria in their supply chains.

What is supply chain responsibility?

The ICC defines supply chain responsibility (or responsible sourcing) as a voluntary commitment by companies to manage their relationships with suppliers in a responsible way.² That responsibility encompasses their supplier's performance in both the social (e.g. working conditions) and environmental arena. Since many companies have hundreds and even thousands of suppliers, they can hardly be expected to be responsible for the actions of all suppliers and sub-suppliers in their supply chain. According to the ICC, however, what companies can reasonably be expected to do is to work with their suppliers

1 The full text of the *Guidance to Supply Chain Responsibility* is included in appendix 5 to SER Advisory Report (2008) *Duurzame Globalisering: een wereld te winnen*.

2 See the *Guidance on Supply Chain Responsibility*.

on a collaborative basis towards improving their social and environmental performance. An enterprise's ability to exert a positive influence on its supplier's performance depends on the sector in which it operates and how much its business contributes to the particular supplier's overall output and production. In addition to influencing their upstream partners in the chain, i.e. their suppliers, enterprises can also be expected to influence the downstream linkages. The point is to encourage responsible business operations among customers and to minimise the potential negative impact of a product on the environment.

What do the ICC Guidance and ICC Guide to Responsible Sourcing say?

In its Guidance, the ICC emphasises that it is the task of the national government to enact and enforce social and environmental legislation. In many parts of the world, however, government involvement is lacking. In order to make effective long-term progress, the ICC believes that national governments must become more closely involved in regulation and enforcement; action on their part will also make their countries more competitive. When government involvement is lacking, enterprises cannot assume that all local companies observe acceptable standards. In order for enterprises to satisfy public expectations with respect to sustainability in their supply chain, they can be expected to use their influence to improve the social and environmental performance of their suppliers. The approaches and tools they can use to achieve this are: providing information and training, conducting audits, drawing up a global supplier code, and monitoring performance. The ICC advises companies to employ a risk-based approach, with their efforts being directed towards suppliers and activities where the incidence of poor labour and environmental performance is most likely to be found.

In the *Guide to Responsible Sourcing*, the ICC describes a six-step plan, a set of specific recommendations to help companies exercise more responsible sourcing:

- 1 Be careful when selecting suppliers.
- 2 Let suppliers know that you expect your business partners to comply with all national laws and regulations.
- 3 Integrate responsible sourcing into your buying practices.
- 4 Support suppliers in setting their own business standards.
- 5 Track supplier compliance.
- 6 Manage stakeholder expectations and reporting.

4.2 Text ICC-Guidance on supply chain responsibility

Policy statement

ICC guidance on supply chain responsibility

Prepared by the Commission on Business in Society

Introduction

The purpose of this paper is to present ICC views on supply chain responsibility from a global and multi-sectoral perspective. These views are based on the extensive and diverse experience of ICC member companies across a broad range of sectors and geographies. Building on this experience, ICC offers practical recommendations to help companies build effective supplier relationships that will lead to good business practices across their supply chains. This document is also intended to help the public at large, including governments, intergovernmental and non-governmental organizations, gain a better understanding of the policy implications that companies have to consider when managing supply chain issues.

What is supply chain responsibility?

Supply chain responsibility, also referred to as responsible sourcing, can be broadly defined as a voluntary commitment by companies to manage their relationships with suppliers in a responsible way. As a result of their purchasing activities, companies may have some opportunities to influence constructively their suppliers' social and environmental performance. This can be done using several incentives, including information and training, as well as audits of suppliers' practices. Whatever mechanism is used, the most effective way to achieve sustained improvement over time is through the development of a long-term collaborative relation between corporate buyers and their suppliers, through which suppliers can internalize change by participating in the shaping of social and environmental performance objectives, based on their own perception of their business capacity and needs.

A corporate commitment

Supply chain responsibility is an area of growing importance for business, particularly in sectors where production is largely outsourced (for example clothing and footwear, electronic and food products) and often takes place in developing countries where the enforcement of social and environmental legislation may be weak or ineffective. In these countries, sometimes characterized by the absence of key elements of sound public governance, companies may not be able to rely on government oversight to ensure that local working conditions and production processes meet acceptable standards.

A number of initiatives have been taken by individual companies and sector associations to assist suppliers in complying with their legal obligations. While these initiatives should not be considered as a substitute for governments' primary responsibility to enact and implement national legislation, they can play a helpful role in the improvement of social and environmental practices, notably in export-oriented sectors, which employ a large and growing share of the workforce of many developing countries.

An integral part of supply chain management

With rising raw material costs and competitive pressures on prices to consumers, it is understandable that companies seek greater efficiencies in their supply chains. But cost cannot be the only factor to be taken into consideration when negotiating business relationships with suppliers. In order to develop sourcing strategies that will support brands over the long term, it is in a company's interest to consider a comprehensive range of supply chain issues including product quality and safety, continuity of supply and delivery, and the protection of intellectual property.

As part of this process, a growing number of companies have chosen to address working conditions and ethical, environmental, health and safety, and human rights issues as an integral component of their procurement strategy, since good practice in these areas can make a significant contribution towards the ultimate goal of supply chain continuity and long-term efficiency.

Companies with brand exposure and consumer visibility have become particularly alert to the strategic importance of supply chain responsibility. As experience has shown, notably in these sectors, one incident with one supplier can cause a disproportionate amount of adverse publicity and damage to a company's reputation and brand image¹. More generally, a company's overall efforts to manage its activities in a responsible way can be seriously discredited if low standards of business conduct persist in the supply chain.

Policy implications

For companies, a commitment to supply chain responsibility has important implications both from a policy standpoint and in terms of the resources necessary to discharge this responsibility. These will vary depending on the particular circumstances of individual companies, including the commercial environment in which they operate and the nature of their supplier relationships.

The primary role of government

A basic principle for all companies is to deal with suppliers who comply with the local law in their business activities. Monitoring compliance with the law is a matter of law enforcement and the ownership of this function properly rests with government. In many parts of the world, however, the lack of government involvement in enforcing social and environmental standards makes it difficult for companies to ensure that good business practices prevail across their global supply chains. As a result, corporate buyers find themselves having to address issues that lie outside their core competencies and remit as private institutions, but which they have to shoulder to ensure business continuity and competitiveness.

While companies can help fill this gap through voluntary initiatives, it is clear that no effective long-term progress will be made without greater involvement of governments to ensure that local laws are respected and that domestic working conditions meet acceptable standards. A World Bank study showed a clear consensus among corporate buyers and suppliers that the absence of local government action presented the most significant barrier to the achievement of better social and environmental performance among suppliers².

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- 1 "Assurance for a Sustainable Supply Chain", Discussion Paper by the Fédération des Experts Comptables Européens, June 2005.
 - 2 Strengthening implementation of corporate social responsibility in global supply chains, The World Bank Group, October 2003.

Governments should be reminded that there are significant economic and social benefits that flow from effective regulation and enforcement in this area. The drive for higher social and environmental standards can lead to increased productivity and country competitiveness, which in turn attract investment (including foreign direct investment) and help local businesses move up the value chain. Government action also captures entire economies, since national social and environmental regulations are not confined to export-oriented sectors, thereby contributing to broad economic development and the achievement of higher living standards.

A shared responsibility

Many companies have literally thousands of suppliers across the globe. It would be inappropriate from a legal standpoint, and simply impossible from a practical point of view, to expect them to be responsible for the actions of all suppliers and sub-suppliers in their supply chain. However, as a result of their purchasing activities, companies may have leverage to influence and monitor their suppliers' business conduct.

What companies can reasonably be expected to do to manage their supply chain responsibly is to work with their suppliers on a collaborative basis towards improving their social and environmental performance. This can best be achieved by using a combination of approaches and tools such as:

- providing information and training to suppliers on the development of management systems;
- organizing on-site visits and worker interviews;
- using a global supplier code as a benchmark for compliance;
- incorporating supplier requirements into commercial contracts, and
- carrying out assessments of suppliers' facilities and practices, including through independent monitoring where appropriate.

Measuring suppliers' social and environmental performance raises the question of which standards should be used as a benchmark. A minimum requirement should be compliance with applicable national legislation, including relevant labour and environmental laws. Some companies also decide to promote standards reflecting various international conventions and declarations on social and environmental issues, which may sometimes go beyond local legislation.

A useful point of reference in this respect is the Global Compact and its "ten principles" covering human rights, labour standards, the environment and anti-corruption³. These principles, which are derived from relevant intergovernmental instruments such as the ILO Declaration on Fundamental Principles and Rights at Work and the Universal Declaration of Human Rights, are specifically addressed to companies and have enjoyed increased recognition as a benchmark for good business practice.

The variety of supplier relationships

The expectations of the public with regard to responsible sourcing have been largely influenced by the experiences of sectors in which supply chain relationships are characterized by large multinational companies being able to exert strong influence on small suppliers. But it is important to note that the nature of supply chain relations can vary greatly across economic sectors and from company to company.

3 See www.unglobalcompact.org.

A company's supply chain is constituted by all those involved, through upstream and downstream linkages, in processes and activities delivering value in the form of products or services to the user. Companies have many different types of suppliers: suppliers that provide components, parts and services for the company's products, and suppliers that provide services, resources or products that enable a company to carry out its business. In many ways, the nature of a company's business relationships with its suppliers will determine its ability to promote and influence change.

For example, some companies account for only a small percentage of their supplier's output and turnover, making it difficult for them to have an influence on their behaviour. Companies may also deal with monopolistic suppliers of specialty products, leaving them with very little leverage to impose additional requirements of any kind. In the manufacturing sector, large-scale suppliers of resource inputs (e.g. supplies from the oil industry) are often larger and able to exert more influence than their customers. In other cases, companies might engage with suppliers on short-term contracts or one-off orders, making it difficult to plan and implement long-term responsible sourcing strategies. The agricultural sector presents its own challenges as the suppliers in question are often smallholder farmers, using only their families and some casual labour to assist them. In these cases, promoting and ensuring responsible practices can become a difficult exercise as they are not employees or suppliers in the normal sense and are widely dispersed geographically.

The merits of a risk-based approach

For companies dealing with large numbers of suppliers, monitoring social and environmental compliance across the supply base may lead to logistical and financial challenges that far exceed their capacity. In this context, a risk-based approach can lead to positive results by helping companies to allocate resources more efficiently and to concentrate efforts where they are most needed, and most likely to bring about change.

An essential dimension of this approach for companies is to treat the supplier-selection phase as a key step in the process of integrating supply chain responsibility considerations into their commercial purchasing and risk management systems. When considering sourcing from low-cost countries, companies should envisage undertaking risk analysis at the outset, so that labour and environmental issues that could arise are known early on and accounted for as part of the cost-benefits analysis for such sourcing.

Because not all suppliers present risks, and many of them will have good business practices already in place, companies should focus attention and resources on high risk areas and avoid the implementation of supply chain monitoring systems that apply "across the board". For example, a leading mobile telecommunication company has developed a system to identify high-risk suppliers with which it decides to conduct more detailed evaluations and engage in corrective action in areas falling below requirements. Such an approach requires that companies weigh the costs of training their suppliers against their broader commercial interests, which could sometimes lead them to favour terminating high-risk supplier relationships.

Another matter for companies to consider is how far down the supply chain should their involvement extend. A practicable approach would be to focus on suppliers responsible for the main steps in the production process, for example, in textile and footwear production, the cutting, sewing and assembly of clothing and footwear, since this is where the greatest incidence of poor labour and environmental performance is likely to be found.

In other sectors, where risks may be more diffused down the supply chain, companies may find it most effective to work with their direct suppliers to ensure that social and environmental considerations in turn play a role in their direct suppliers' relations with second and third tier suppliers. But this approach may not be practicable for sectors that operate through middle markets, where hundreds or thousands of small producers feed in to, and for which it is virtually impossible to identify the supply chain.

4.3 Text ICC-Guide to responsible sourcing

ICC Commission on Business in Society

ICC guide to responsible sourcing

Integrating social and environmental considerations into the supply chain

Introducing responsible sourcing

What is responsible sourcing?

Responsible sourcing, also referred to as supply chain responsibility, is a voluntary commitment by companies to take into account social and environmental considerations when managing their relationships with suppliers.

This strategy is now an integral part of effective supply chain management. As production chains expand, companies of all sizes and sectors are devoting more efforts to managing supply chain risks and building long-term supplier relationships. Improving social and environmental performance in production chains is becoming a major element of this process.

As experience has shown, one bad incident with one supplier can lead to a disproportionate amount of adverse publicity, damaging a company's reputation and brand image. This has led a growing number of companies to develop and promote responsible sourcing practices.

Indeed, effective supply chain management is a way for businesses to build a competitive advantage, especially in sectors where production is largely outsourced, such as clothing, footwear, electronics, or food products.

For many companies, working towards improving social and environmental standards in the supply chain has become a natural extension of their commitment to corporate responsibility and, as such, forms part of their overall business model.

Getting involved

Many companies have literally thousands of suppliers across the globe. While a company cannot be held accountable for the actions of all its suppliers, its purchasing activities may create leverage to influence and monitor its suppliers' conduct in areas such as working conditions, respect for labour rights and environmental protection.

The ability of companies to influence their suppliers' business conduct will vary greatly depending on the commercial environment in which they operate and the nature of their supplier relationships. The great diversity that exists within business requires companies to consider a range of tools and approaches so that these can be tailored to their specific circumstances.

To help companies develop their own approaches to responsible sourcing, this guide prepared by the International Chamber of Commerce (ICC) provides a series of practical steps from a global and multistakeholder perspective. These steps are based on real-life experiences collected from ICC member companies around the world, and can be used by companies of all sizes, sectors and regions.

Six steps to responsible sourcing

The following guidance presents basic steps that companies can take to influence and monitor social and environmental performance in their global supply chains.

Because not all suppliers pose risks, and many have good business practices already in place, a company should focus on high-risk areas, concentrating efforts where they are needed most and most likely to bring about change.

Step one: selecting a supplier

A careful selection of suppliers is one of the best ways to ensure continuity and long-term efficiency of the global supply chain as well as enduring brand support.

When choosing a supplier, in addition to making a final determination on cost, companies often need to evaluate a range of supply chain issues: product quality and safety, continuity of supply and speed of delivery, and intellectual property protection. Criteria such as working conditions, environmental practices, safety standards, and human rights policies should also be factored into the selection process.

When sourcing from low-income countries, a risk analysis should be conducted at the beginning, so that labour and environmental issues can be identified early on and integrated into a cost-benefit analysis.

As a first step, companies should check basic facts about the social and environmental legislation and the level of enforcement in the country of production, to assess potential production risks.

Step two: set clear expectations on compliance with the law

When contracting with a supplier, companies should make it known that they expect their business partners to comply with all national laws and regulations, including labour and environmental laws, and as appropriate, to take into account principles from relevant international instruments, which may sometimes go beyond local legislation.

These instruments include the International Labor Organization (ILO) *Declaration on Fundamental Principles and Rights at Work*, other ILO conventions, and the *Universal Declaration of Human Rights*. Another useful reference is the Global Compact and its “10 principles” covering human rights, labour standards, the environment, and anti-corruption.

A company can also adopt a supplier code of conduct. Before doing so, it should consider the possible difficulties for suppliers to comply with the proliferation of such codes and their requirements.

To ease the compliance burden on suppliers, which are often small and medium-sized enterprises, a company may consider partnering with a sectoral association that has developed an industry-wide supplier code of conduct.

Examples of such initiatives include the Business Social Compliance Initiative, the Electronics Industry Citizenship Coalition and the International Council of Toy Industries CARE Foundation.

Step three: integrate responsible sourcing into buying practices

By integrating responsible sourcing into its own buying practices, a company should avoid undermining the capacity of suppliers to respect social and environmental standards. Inefficient practices, such as rush orders, last-minute changes or placing orders that surpass suppliers' capabilities, which often lead to excessive overtime work and other compliance violations, should be avoided.

A company can initiate direct improvements in two ways: by raising awareness among its corporate buyers of the impact their decisions might have at factory level; and by encouraging

more coordination among corporate buyers, a supplier's sales team, and production units when planning production schedules.

Step four: support suppliers in setting their own business standards

A company should encourage suppliers to develop their own responsible practices rather than imposing requirements on them. In doing so, it is essential to stress the commercial benefits of responsible business practices on quality, productivity, contract renewals, and lowering employee turnover.

To help them internalize change, suppliers should be directly involved in the shaping of performance objectives. This way, suppliers can integrate these objectives into their own business strategy, based on their individual capacity and needs.

If useful, a company can provide training to its suppliers to help them improve their management practices and performance. Such support is an integral element of the knowledge transfer that comes with sourcing. Training programmes for management and employees may cover supervisory skills, environmental management, and raising awareness of health and safety practices.

In sectors where labour or health and safety risks may be present further down the supply chain, a company can also work with its direct suppliers to ensure that social and environmental considerations in turn play a role in their relations with second and third tier suppliers.

Step five: track supplier compliance

Companies can ask their suppliers to provide comprehensive information about their social and environmental practices. On-site visits can also be organized to monitor suppliers' progress, or lack of progress, in meeting social and environmental performance objectives. Evaluating this information may become part of a company's regular assessments of business requirements, such as quality control.

To make performance checks truly effective, companies should involve their suppliers' factory management and workers in monitoring, and give them the training and tools to develop their own compliance system and to identify problems.

Taking a risk-based approach can help with a large base of suppliers when monitoring social and environmental compliance. Companies should focus on high-risk suppliers rather than monitoring across the board, as well as on suppliers in charge of the main steps in the production process.

A company can save monitoring costs by collaborating with other companies from the same sector and developing common approaches for auditing suppliers.

To harmonize monitoring practices and ease the compliance burden of suppliers, several sector associations have brought together manufacturers of branded goods, suppliers, retailers and customers with a view to develop common tools and rationalize supply chain requirements.

Initiatives which bring together non-governmental organizations, trade unions and companies can also help encourage dialogue and build overall confidence in the compliance process.

Step six: manage stakeholder expectations and reporting

To build customer trust, companies can collect information on supplier performance across markets, and publish it in an annual report or other publicly-available format. Reporting efforts should be used to measure performance and flag areas for improvement.

Some companies also choose to validate their first or second-party monitoring (audits conducted by the company or on behalf of a company by another organization) by third-party monitoring (conducted by independent bodies). A company's strategy in this area will often be shaped by the way it manages its broader stakeholder relationships, for example its relations with consumers and local communities.

Minding supply chain gaps

The various steps set forth in this guide are meant to help companies define their basic approach to responsible sourcing.

However it is important to bear in mind that integrating social and environmental considerations in global supply chains is a shared responsibility that embraces a wide range of actors.

The role of government

Responsible sourcing can go a long way towards improving social and environmental practices across industries and production chains. But no long-term progress is possible without greater government involvement in passing and enforcing laws.

The positive role of many governments in this area should be highlighted. In some parts of the world, however, the will or capacity of governments to enforce basic rules is lacking. In such cases, voluntary initiatives by companies can help fill the gap, but should not be considered as a substitute to government action.

Some governments should be reminded of the significant economic and social benefits that flow from effective regulation and enforcement. The drive for higher social and environmental standards can lead to increased productivity and greater competitiveness, which in turn attracts investment and helps local businesses move up the value chain. Government action also captures entire economies, since national social and environmental regulations are not confined to export-oriented sectors, thereby contributing to broad economic development and the achievement of higher living standards.

How to deal with non-performance

Improving social and environmental performance in global supply chains can only be achieved with the effective participation of stakeholders at all levels, including suppliers which are directly in charge of integrating social and environmental standards into their business operations.

However, companies must be prepared to face the risk of non-compliance in their supply chain.

When suppliers do not meet expectations, or when a company discovers a serious compliance violation, the company should agree with the supplier on a realistic timetable of improvements.

If solutions cannot be found and performance does not improve, termination of relationship should be seriously considered, but only as a last resort. Deciding to terminate a supplier relationship should be carefully weighed as it may deprive a supplier of the resources necessary to improve business practices and lead to worsening worker conditions.

Moving forward with responsible sourcing

A checklist for companies engaged in supply chain relationships

The following checklist summarizes some of the important steps that companies can take when entering supply chain relationships:

- Check basic facts about the social and environmental legislation in the countries of production of prospective suppliers. Find out about the level of enforcement in these countries to assess production risks.

- Check whether prospective suppliers qualify for independent certification of conformity with recognized social and environmental standards.
- Clearly define your expectations to your suppliers. Make clear that compliance with all applicable laws is a minimum.
- Explore potential risk areas with suppliers and agree on the desired level of performance. If necessary, use a supplier code of conduct as a benchmark for compliance and incorporate supplier requirements into commercial contracts.
- Raise awareness among your purchasing officers of the impact that their purchasing practices might have on production at factory level.
- Carry out assessments of suppliers' facilities and practices, including through independent monitoring where appropriate, or by organizing onsite visits and worker interviews.
- Find out about sectoral initiatives which can help conduct assessments and provide information and training to suppliers on responsible business practices.

Some examples of responsible sourcing initiatives

A number of initiatives led by sectoral associations and multi-stakeholder bodies have emerged with a view to provide more specific guidance on basic requirements which can be expected from suppliers, as well as to develop operative frameworks for conducting supplier assessments and training programmes.

Participation in such initiatives can come with important benefits in terms of harmonizing approaches and fostering dialogue. Examples of well-known initiatives include the following:

- The Business Social Compliance Initiative (www.bsce-u.org), a European business-driven platform for the improvement of social compliance in all supplier countries and for all consumer goods;
- The ICTI-CARE process (www.icti-care.org), the international toy industry's ethical manufacturing programme, aimed at ensuring safe and humane workplace environments for toy factory workers worldwide;
- The Electronic Industry Code of Conduct (www.eicc.info), a code of best practices adopted and implemented by some of the world's major electronics brands and their suppliers with a view to improve conditions in the electronics supply chain;
- The Fair Labour Association (www.fairlabor.org), a network of companies, civil society organizations, and universities protecting workers' rights and improving working conditions worldwide by promoting adherence to international labour standards;
- The Ethical Trading Initiative (www.ethicaltrade.org), an alliance of companies, non-governmental organizations and trade union organizations which promotes the implementation of corporate codes of practice covering supply chain working conditions;
- Worldwide Responsible Apparel Production (www.wrapapparel.org), an independent organization dedicated to the certification of lawful, humane and ethical manufacturing in apparel production;
- SA8000 (www.sa-intl.org), a comprehensive system for managing ethical workplace conditions throughout global supply chains.

Whatever mechanism is used, it is important to remember that the most effective way to achieve sustained improvement over time is by developing a long-term collaborative approach between companies and their suppliers, through the involvement of local management and employees in the shaping of social and environmental performance objectives.

For further background on responsible sourcing, the following papers will provide useful reading:

- **ICC guidance on supply chain responsibility** – Policy statement by the International Chamber of Commerce, October 2007
- **Beyond monitoring: a new vision for sustainable supply chains** – Business for Social Responsibility, July 2007
- **Corporate social responsibility in China's information and communications technology sector** – Foreign Investment Advisory Service and Business for Social Responsibility, July 2007
- **Meaningful change: raising the bar in supply chain working standards** – Roseann Casey, prepared for John Ruggie, UN Secretary-General Special Representative on business and human rights, November 2006
- **Assurance for sustainable supply chains** – Fédération des Experts Comptables Européens, June 2005
- **Strengthening implementation of corporate social responsibility in global supply chains** – World Bank Group, October 2003

ICC is the world business organization, a representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world. ICC promotes an open international trade and investment system and the market economy, and helps business corporations meet the challenges and opportunities of globalization.

Business leaders and experts drawn from ICC's global membership establish the business stance on broad issues of trade and investment policy as well as on vital technical subjects.

ICC was founded in 1919 and today it groups member companies and associations in 130 countries.

ICC Commission on Business in Society

This guide to responsible sourcing has been developed by the ICC Commission on Business in Society. The commission is ICC's main working body on corporate responsibility issues, helping to define the role of business in the context of globalization and changing societal expectations. Members of the commission are senior corporate responsibility executives within global companies in a variety of sectors.

For further reading about responsible sourcing and other commission activities, please visit

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