



MEMBER REPORTING FOR <COMPANY NAME>

For 2012



"Ethical Trading Initiative Norway's members have made a commitment to implement measures that contribute to better conditions in their supply chains."

To readers of this report

Ethical trade should ensure that production of goods and services is fair, responsible and compliant with relevant legislation. IEH - Ethical Trading Initiative Norway's members have made a commitment to implement measures that contribute to better conditions in their supply chains. IEH's Code of Conduct provides the foundation for this work. The Code of Conduct covers working conditions, human rights, the environment and anti-corruption.

Members are also obliged to report annually on their progress, including the challenges they face and their achievements to date. The report is made publicly available and can be downloaded from IEH's website.

IEH's template for reporting was updated in 2012. One of the changes made was a stronger focus on the impact of improvements made in the supply chain, placing a clearer responsibility on members to measure the impact of their work. The reporting template aims to incorporate the expectations laid down in the United Nations Guidelines for Business and Human Rights and in the OECD Guidelines for Multinational Enterprises. This includes issues such as due diligence and stakeholder engagement. Indicators that are included in Global Reporting Initiative G4 have been included where these are deemed to add value to the reporting process. For signatories of Global Compact, it is our intention that this report covers the requirements laid down for reporting on supply chain improvements as part of the annual Communication of Progress.



Per Bondevik
General Manager, IEH

Foreword from



Scope of reporting

Members of IEH are in different phases of their work with ethical trade. They also work in different industries each with different and often unique challenges. Some members purchase directly from production facilities, others partly or exclusively through agents. Smaller companies are usually unable to allocate the same resources to their work with ethical trade as larger organisations.

As a result of this, companies have the option to deselect non-mandatory questions in the table below. Deselected questions will not appear later in the reporting template

Based on the principle of 'report or explain', companies are expected to provide an explanation for each deselected question.

	YES	NO
Step 2 - Screening of new suppliers (indicator 2-1, point b-d)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 2 - Mapping of conditions at supplier level (question 2.5)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 2 - Number of existing suppliers mapped according to method adopted (indicator 2-2)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 3 - Time elapsed before paying suppliers (indicator 3-2)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Competence building activities provided for supplier (question 4.3)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Measures to improve working conditions and respect for human rights (indicator 4-1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Mapping and measures taken to improve workers' wage level (question 4.4)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Measures concerning freedom of association and collective bargaining (question 4.5)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Measures taken to improve environmental stewardship (indicator 4-2)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Anti-corruption measures taken (question 4.6)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Certification of products, materials and services (indicator 4-4)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 4 - Improvement projects initiated or taken part in (question 4.8)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 5 - Procedures for dealing with complaints in the supply chain (question 5.5)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Step 5 - Number of complaints and remedial measures taken (indicator 5-1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

About the company

Company name:

Main brands, products and/or services offered:

Description of company structure:

Head Office address:

Company size:

Number of employees:

Turnover (NOK):

Main characteristics of the company's supply chain:

Purchases included within this report:

Number of suppliers:

Monetary value of purchases, divided by type of product and services, type of supplier (e.g. producer, manufacturer, agent) and region/country:

Type of product and service	Percentage of purchases (%)

Type of supplier:	Percentage of purchases (%)

Region/country:	Percentage of purchases (%)

Contact person for this report:

Name:

Title:

E-mail:

Telephone:

Year when IEH membership started:

“Please add a quotation related to good practice or commitment”





Goal and Progress for the Reporting Year

Goal	Progress	Relevant step in IEH's implementation model				
		1	2	3	4	5
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Goal for Coming Year

Goal	Relevant step in IEH's implementation model				
	1	2	3	4	5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



1. COMMIT

Commitment in the company and its supply chain



1. COMMIT COMMITMENT IN THE COMPANY AND ITS SUPPLY CHAIN

Commitment in the Company

Q1.1 Describe how your company's work with ethical trade is anchored at Board level.

Q1.2 Describe how your company's work with ethical trade is anchored at top management level:

Name and position of persons in top management team with main responsibility for ethical trade:

The extent to which incentives/bonuses are related to ethical trade/sustainability indicators:

The extent to which internal reporting routines are established for work with ethical trade:

Other relevant information:

Internal Competence Development and Awareness Raising

Q1.3 Describe what needs have been identified regarding competence development and awareness raising:

Q1.4 Describe competence development activities and measures to raise awareness that have been completed during the reporting year:

Commitment in the Supply Chain

Q1.5 Please provide a complete URL (web address) to your company's code of conduct, or attach if preferred:

Q1.6 Describe how your company communicates compliance with your code of conduct (CoC) to your suppliers. Please include:

How the intention of the CoC is communicated:

Systems in place for capturing feedback and encouraging dialogue with the suppliers:

Incentives for good working conditions and and environmental stewardship:

The extent to which the CoC is translated into local languages:

Q1.7 Describe the extent to which your CoC is communicated to sub-suppliers further up the supply chain. Describe any activities you engage in to ensure that this happens:

Indicator 1-1: State the percentage of your company's first tier suppliers who have received and accepted your CoC for ethical trade:

	2012	2011	2010
Total number of suppliers:			
Percentage of total number of suppliers:			
Percentage of total monetary value of purchases:			



2. ASSESS

Assessing risk in the supply chain



2. ASSESS ASSESSING RISK IN THE SUPPLY CHAIN (DUE DILIGENCE)

Screening of New Suppliers

Q2.1 Describe how your company takes ethical trade considerations into account when choosing new suppliers. Describe the criteria that results in:

A supplier not being used:

Improvements being carried out as a prerequisite for trade with this supplier:

Choose from the list the elements that are included in your screening process:

- Self Assessment Questionnaire (SAQ)
- Own visits
- Inspections
- Reports from earlier inspections
- Choosing of certified companies
- The supplier has a programme for following up sub-suppliers
- Other

Indicator 2-1: Screening of new suppliers and measures taken

A) State the percentage of new suppliers that have been screened for either working conditions, human rights, environmental impact or corruption:

Percentage of new suppliers that have been screened	2012	2011	2010
Percentage of new suppliers that have been screened:			

B) Describe the most important issues that have been identified and in which countries they occurred:

Identified issues in 2012	Relevant CoC element	Country

C) Out of the total number of screened supplies, please provide:

Follow-up of screened suppliers in 2012:	Percentage (%)
Percentage not traded with as a result of the screening	
Percentage for which requirements for improvements were specified	

D) Please provide details regarding your actions to follow up screened suppliers:

Overview of Where Production Occurs (existing suppliers)

Q2.2 To what extent does your know where the products are produced. Include:

Knowledge of first tier of production:

How much is known about where sub-suppliers and raw material production occurs:

Specific challenges related to traceability:

Q2.3 Please provide a list of the number of first tier suppliers per country:
(suppliers known to the company):

Country	Number

Method for Assessing Risk for Existing Suppliers

Q2.4 Has your company established a risk profile (per country/industry sector) associated with working conditions, human rights, environmental risk and corruption in the supply chain?

If yes, please describe the methods you have adopted for developing this risk profile:

Q2.5 Describe the extent to which your company has developed risk profile for individual suppliers. Please include:

The criteria used to decide which suppliers to perform risk assessment on:

The number and geographical location of suppliers for whom you have developed individual risk profiles:

Methods used for arriving at the risk profile:

Indicator 2-2: Number of existing suppliers assessed for either working conditions, human rights, environmental impact or corruption, by risk assessment methods:

Number of suppliers with individual risk profiles	2012	2011	2010
Number of suppliers			

Number of suppliers divided by risk assessment methods	2012	2011	2010

Description of Supply Chain Risk Profile

Q2.6 Describe your company's supply chain risk profile in relation to compliance with your code of conduct:

Please specify:

Which countries are deemed to be high risk:

Which aspects of your CoC are particularly at risk of being breached:

Challenges when it comes to sub-suppliers and raw materials production :

Other specific challenges, e.g. in relation to suppliers being located in export processing zone, subcontracting labour or outsourcing production.



3. ADAPT

Adapting purchasing practices



3. ADAPT ADAPTING PURCHASING PRACTICES

Long-term Supplier Relations

Q3.1 Describe your company's policy and/or practice relating to the length of supplier relations.

Indicator 3-1: Proportion of your total purchase coming from suppliers with whom your company has a long-term business relation (see definition):

	2012	2011	2010
Percentage purchase through long-term agreements:			

Purchasing Practice with Existing Suppliers

Q3.2 Has your company performed an analysis of how your purchasing practice affects your suppliers?

If yes, please describe how this was done and what the main findings were:

Q3.3 Has your company amended its purchasing practice to minimise negative impacts or to promote better working and environmental conditions at suppliers?

If yes, please describe the changes that have been made:

Indicator 3-2: Time elapsed prior to paying suppliers

A) Please state the credit terms in terms of number of days in your standard agreements with suppliers:

Standard credit terms for suppliers	2012	2011	2010
Number of days:			

B) Please state the percentage of supplier payments made within the agreed credit term:

Percentage of payments made within agreed time	2012	2011	2010
Percentage paid within agreed time:			

Evaluation of the Impact of Changes made to Purchasing Practices

Q3.4 Describe how your company has assessed the impact of any changes made to your purchasing practices and provide details of the results of this assessment:



4. COLLABORATE

Improvements in the supply chain



4. COLLABORATE IMPROVEMENTS IN THE SUPPLY CHAIN

Product Design and Choice of Raw Materials

Q4.1 Has your company chosen product design features or raw materials that reduce negative impacts or promote better working or environmental conditions?

If yes:

Describe measures taken in the reporting year:

Describe the impact that your company expects these measures to have:

Competence Development of Suppliers

Q4.2 Has your company identified the competence development needs of suppliers in order for them to be able to meet your code of conduct requirements?

If Yes, please provide :

Identified competence development needs:

Planned competence development activities:

Suppliers included in terms of number, country/region and type of supplier:

Q4.3 Has your company contributed to competence development of suppliers in the reporting year?

If yes, please describe:

Completed competence development activities
 Suppliers included in terms of number, country/region and impact (expected or measured)

Describe in the table below:

Competence development activity (own and others)	Number of suppliers	Country or Region	Impact (expected or actual)

Improvement of Suppliers

Indicator 4-1: Improvement measures concerning working conditions and human rights (HR)

A) Please report on the number and percentage of current suppliers where you have identified non-compliance issues connected to working conditions and HR:

Identified issues connected to working conditions and HR	Number	Percentage
Suppliers in the reporting year with identified issues related to working conditions and human rights:		

B) State the percentage of these suppliers where:

You have agreed or requested improvements
 Improvement measures have been completed
 Contracts have been terminated (e.g. as a result of unwillingness to improve conditions)

Please also divide improvement measures into CoC clause and country/region

Improvement measures for working conditions and HR	2012	2011	2010
Percentage of suppliers where you have agreed or requested improvements*			
Percentage where improvement measures have been completed*			
Percentage where contracts were terminated*			

* Percentage of the suppliers where non-compliance issues have been identified (of number stated in 'A')

Percentage distributed by CoC clause in 2012	Improvement measure completed (%)

Percentage distributed by country/region in 2012	Improvement measure completed (%)

C) Please provide details on the most important improvement measures:

Q4.4 Describe measures that your company has taken to ensure that workers receive a decent wage that covers the basic needs for the worker and his/her family, such as:

A gap analysis of workers' actual wages and proposed levels of a decent wage:

Measures taken to reduce the gap between actual wage levels and the proposed level for a decent wage:

Q4.5 Describe measures that your company has taken, in the reporting year, to ensure that workers' right to freedom of association and collective bargaining are respected. Describe in terms of:

Measures taken:

Number and type of suppliers covered:

Country or region:

Indicator 4-2: Measures for Reducing Environmental Impact in the Supply Chain

A) Please report on the number and percentage of current suppliers where you have identified issues connected to environmental impact.

Findings relating to environmental impact	Number	Percentage
Suppliers with identified environmental issues in the reporting year.		

B) State the percentage of these suppliers where:

- You have agreed or requested improvements
- Improvement measures have been completed
- Contracts have been terminated (e.g. as a result of unwillingness to improve conditions)

Please also divide the issues by theme and country/region.

Measures for reducing environmental impact in the supply chain	2012	2011	2010
Percentage of suppliers where you have agreed or requested improvements*			
Percentage where improvement measures have been completed*			
Percentage where contracts were terminated*			

* Percentage of the suppliers where issues have been identified (of number stated in 'A')

Percentage distributed thematically in 2012	Improvement measure completed (%)

Percentage distributed by country/region in 2012	Improvement measure completed (%)

C) Please provide details on the most important improvement measures:

Q4.6: Describe measures that your company has taken in the reporting year relating to anti-corruption in your supply chain. Please include:

Requirements to change of practice and termination of contracts/business relations:

Measures to improve your company's own anti-corruption work:

Use of Certification Schemes

Q4.7 Describe, if applicable, your company's policy on using certification as a means for improving conditions in your supply chain:

Indicator 4-3: Proportion of purchased material, products and/or services that have some form of environmental or social certification.

Please provide percentage of purchased material, products and/or services according to each categories that is relevant to report on by your company:

Category material/product/service	2012 % certified	2011 % certified	2010 % certified

Please show the distribution by certification standard for the reporting year:

Category material/product/service (in 2012)	Certification standard	Percent certified

Improvement Projects and Activities

Q4.8 Please describe improvement projects or activities in the reporting year where the main purpose is to improve compliance to your code of conduct.

Project name:	
Purpose:	
Main activities:	
Country/ies:	
Project partners:	
Start date and expected finish date:	
Learning gained and challenges met:	
Ethical requirements addressed:	

Evaluating the Impacts of Improvements Measures

Q4.9 Describe what impact you assess that the improvement measures completed by your company in the reporting year has:



5. COMMUNICATE

Strengthening awareness, dialogue and support



5. COMMUNICATE STRENGTHENING AWARENESS, DIALOGUE AND SUPPORT

Internal and External Communication about Ethical Trade

Q5.1 Describe how your company communicates internally about its work with ethical trade:

Q5.2 Describe how your company communicates externally about its work with ethical trade:

Q5.3 Please provide details on which themes your company has communicated with stakeholders about ethical trade in the reporting year. Show:

Which stakeholder groups were involved

Whether it was dialogue on impact by your company's supply chain activities

Whether it was communication of the results of your work with ethical trade

Topic/theme	Stakeholders	About impact of activities	About results communication

Q5.4 Please provide an accurate web address where your company publishes information and/or reports about your work with ethical trade:

Complaints Procedures

Q5.5 Describe how your company deals with complaints about non-compliance issues in the supply chain, divided by:

Tracking complaints made through established mechanisms such as supplier's own systems, national authorities and international mechanisms such as OECD National Contact Points.

Your company's own systems for receiving and dealing with complaints from both internal and external stakeholders

Indicator 5-1: Number of complaints received through established complaints mechanisms

Provide the number of complaints received through established complaints mechanisms relating to working conditions, human rights, environmental impact or corruption:

Complaints received through established complaints mechanisms	2012	2011	2010
Number of complaints received			

Divide complaints thematically and describe measures taken to follow-up or remedy:

Topic of complaints received in 2012	Number	Follow-up measures taken

Promoting Ethical Trade and experience exchange

Q5.6 Has your company engaged in activities to promote ethical trade or share experience/knowledge in the reporting year?

If yes, describe activities and the target groups for these activities, for example:

- Suppliers
- Business and trade networks
- Authorities and/or public bodies
- Other

Type of activity	Number	Target group(s)	Description

Type of activity	Number	Target group(s)	Description



Contact: