
IC COMPANYYS SUBMISSION



Clean Clothes Campaign Wage Survey

Response ID:35; Data

1. Login/Password Action

2. Introduction

1. Company name:

IC Companys A/S

2. Brands owned by company:

Peak Performance
Tiger of Sweden
By Malene Birger
Soaked in Luxury
InWear
Part Two
Saint Tropez
Designers Remix
Martinique

3. Main contact person:

Name: : Morten Lehmann
Email: : mole@iccompanys.com
Contact phone number: : 32667415

3. The living wage standard

4. 1.1 What is your company's position on payment of the living wage to workers in your supply chain?

Our company is a participant of the Business Social Compliance Initiative. We implement the BSCI Code of Conduct in our international supply chain. This Code prescribes the payment of the legal minimum wage. This legal minimum wage should be at a level that covers workers basic needs as well as provide some discretionary income. As this is often not the case we support through BSCI work towards the payment of a living wage. We believe it is essential to emphasize the importance of a holistic approach towards the issue of fair remuneration for workers. In this context, it is important to address the quantitative aspects of wages as well as qualitative aspects. Focussing on the quantitative level of the wage earned by workers alone is not enough. In accordance with its cooperation in ILO's Fair Wage Network, BSCI stresses the importance of including qualitative aspects such as the way of payment, timely and formal payment of wages, reflecting skills and education of workers in the level of wages, and equal treatment of full-time employees, part-time, and piece-rates workers.

5. 1.2 Please give the link to the code of conduct which is used when monitoring conditions in your supplier factories. If it isn't publicly available, please upload a copy using the option below.

http://www.bsci-intl.org/system/files/2_bsci_codeofconduct_english_pdf_1.pdf

Upload option.

6. 1.3 Does your company agree with the definition of a living wage as given [here](#)?

No, our definition differs from the definition given.

If no, please provide details of how your definition of a living wage is different and give justification.

Please see BSCI Code of Conduct Article 4 and our position on living wages above.

4. Respect for freedom of association and collective bargaining, a precondition for a living wage

7. 2.1 How has the right to Freedom of Association and Collective Bargaining been clearly communicated to workers in your supplier factories and subcontractors?

Information about rights and freedoms of workers is a requirement of the BSCI CoC. As stated in the terms of implementation, the Code must be translated into local language and displayed prominently in a factory in order to be BSCI-compliant

Percentage of supplier factories and subcontractors reached by these measures:

67%

Please supply an example of materials used:

8. 2.2 Do you support or facilitate training for workers to ensure they are aware of their right to freely associate, in conjunction with local independent trade unions or workers' rights organisations? Please supply details:

Due information and training of factory workers is the responsibility of factory management, the honouring of which is a requirement for BSCI Code of Conduct compliance. The exact percentage of compliance with this requirement is only available on the overall level of all BSCI participating companies, not on an individual level.

We work for creating more training for workers through the BSCI training process

Percentage of supplier factories reached by these measures: : %

9. 2.3 Do you provide training for management of your supplier factories and subcontractors on the right to freedom of association?

Regular trainings on freedom of association are organised by BSCI. The exact percentage of suppliers that join these trainings is difficult to calculate.

Percentage of supplier factories and subcontractors reached by these measures:

10. 2.4 Have your supplier factories and subcontractors issued the Right to Organise Guarantee to workers in any of your production units?

	Country:	Number of suppliers:	Details:
1:			This right is clearly covered by the Code of Conduct, which must be displayed prominently in the factory.
2:			
3:			
4:			

Please provide a sample of materials used in specific countries:

11. 2.5 Do you require supplier factories and subcontractors to sign Union Access Agreements? If yes, please supply details.

No. This is not feasible in some countries, where due to the legal or political circumstances such an action might be unlawful or otherwise unfeasible.

Number of supplier factories with agreements:

Please provide a sample of agreements signed:

12. 2.6 Does your company have an accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining rights? How do you monitor that this can be accessed freely by workers?:

The BSCI Code of Conduct requires factories to establish appropriate channels allowing workers to raise complaints.

13. 2.7 Have you done any work to limit the use of short term contracts in your supplier factories and subcontractors?

Please provide details of your policy and its impacts in relevant countries: : The use of short-term labour or other forms of contracting in order to

14. 2.8 Is there anything else you would like to tell us about work you have done so far, or work you are planning, to promote the right to freedom of association in your supply chain?

Through our work with the Sustainable Apparel Coalition and DIEH we also work towards promoting the right to freedom of association

5. Dialogue and negotiation with labour rights organisations

15. 3.1 Please provide details of any active collaborative work undertaken with independent trade unions or labour rights organisations in your sourcing countries:

BSCI organizes numerous round tables in sourcing countries to address critical issues in social compliance that include all stakeholders, including trade unions. See <http://www.bsci-intl.org/search/node/%22round%20table%22>

16. 3.2 Have any of your collaborations resulted in unions or bargaining processes starting within your supplier factories?

6. 4. Benchmarks for a minimum living wage

17. 4.1 Does your company have internal figures that it uses to benchmark living wages for each sourcing country or region?

Yes

If yes, please provide details of how these were developed and how they are used:

The calculation of the local living wage forms part of the BSCI Audit and is calculated according to the SA 8000 methodology. They are used for the gap analysis and in the Corrective Action Plans that are issued to factories after each BSCI audit, indicating steps to be taken in order to arrive at the level of the living wage

18. 4.2 Please provide information about the figures you are using to benchmark a living wage in your 3 main production countries or regions.

	Country/region	Living wage benchmark
1.	BSCI follows the SA 8000 methodology for calculating the level of living wages.	
2.		
3.		

19. 4.3 Please give details of the number of your supplier factories in Asia that are currently paying the Asia Floor Wage.

	Country/region	Number of supplier factories paying Asia Floor Wage
1.		
2.		
3.		
4.		
5.		

7. Purchasing practices that make living wages possible

20. 5.1 Is your company doing work to limit the use of subcontractors in your supply chain and/or consolidate your supplier factory list? Please provide details:

Yes we are continuously working to consolidate our supplier factory list to work in a partnership approach with our suppliers. Our suppliers are not allowed to use subcontractors which are not approved by IC Companys.

21. 5.2 Does your company operate a policy of buyers favouring supplier factories that consistently meet a high wage standard? How?

Our Supplier Scorecard which we use as a dialogue tool to improve conditions in the factories, include remuneration as well as a number of other CSR issues.

22.

23. 5.3 Does your company break down and calculate whether FOB prices per piece are sufficient to allow for compliance with the wage standard your company has set out in its code of conduct?

No

24. 5.4 Does your company operate a policy of buyers favouring supplier factories that support the establishment and functioning of genuine trade unions, and those with collective bargaining agreements?

yes included in our Supplier Scorecard

25. 5.5 Please provide information about any other work your company has done / is planning to do on improving your purchasing practices, in relation to wages.

Training on responsible sourcing for all buying departments and KPI's is planned for the next year in addition to the above.

8. Living wage projects

26. Please provide details of any projects here. Please note you can cut and paste long pieces of text into these small boxes if necessary:

	Project 1	Project 2	Project 3	Project 4
Location:				
Number of factories and workers involved:				
Living wage benchmark used:				
Partnerships:				
Wage increase achieved:				
Details of process:				

27. Please upload any useful supporting documentation here:

9. New Page

28. 7.1 Have you publicly supported calls from civil society and unions to increase the minimum wage to a living wage standard in your production countries? Have you made this position clear towards governments and employers associations?

Yes we have signed the letter issued by ETI London to the government of Bangladesh on increasing the wage levels.

Through DIEH we also work to improve wages levels and social dialogue

29. 7.2 As part of this work, have you issued a public statement assuring country governments that you will not relocate production as a result of minimum wage legislation that ensures a living wage?

10. Transparency

30. 8.1 Does your company publish a full public list of supplier factories, and sub contractors, their locations and products?

Do you have plans to publish a full list in the future?

31. 8.2 Does your company publish impact reports on projects related to wages?

11. Collaborative working

32. 9.1 Please provide details of your involvement with any multi-stakeholder initiative projects working to improve wages:

We work with DIEH to promote social dialogue as an important tool to improve wages

33. 9.2 Please provide details of any work you have initiated outside an MSI, directly with other companies which has improved wages:

34. Supporting documents:

12. 10. A clear route map for implementing a living wage for all workers

35. 10.1 Has your company developed a strategy for delivering a living wage in your supply chain? Is this a public commitment?

As part of our consolidation of suppliers, our supplier scorecard, our work with DIEH and Sustainable Apparel Coalition we will be working even closer with our suppliers also on wages

36. 10.2 Does this strategy have a time scale? If yes, please state.

already ongoing

37. 10.3 What consultation have you carried out on this strategy, both within and outside your company?

Through DIEH, BSCI, SAC and numerous meeting with important stakeholder

38. 10.4 How will you ensure that vulnerable workers, such as homeworkers or migrant workers are also included in efforts to increase wages?

39. 10.5 Is there anything else you would like to tell us about your work on the living wage that hasn't been covered in this survey?

13. Further questions about your supply base

40. 1. What are your main production countries? Please state percentage of total production per country and the number of supplier factories.

	Country	Percentage of production	Number of suppliers
1	China	63	
2	Other Asia	11	
3	Europe	24	
4	Africa	2	
5			
6			
7			
8			
9			
10			

41. 2. What kind of trade partners are part of the sourcing structure? Please indicate an approximate % of volume share of your production:

Production at factories owned by your company: : 0

Orders placed directly to supplier factories: : 94

Orders placed through agencies or intermediates: : 6

Other: : %

42. If other, please specify.

43. 3. What is the length of time that you have been working with your current suppliers?

	% of suppliers
More than 5 years:	70
2-5 years:	20
Less than 2 years:	10

44. 4. How many sites did you use to produce your goods in 2012?

First tier suppliers: : Unclear question

45. 5. How many supplier factories do you trade with where you have a regular production share of more than 25%?

Number of suppliers: : Our supplier do not disclose this information

Response Location

Country:	Denmark
Region:	17
City:	Copenhagen
Postal Code:	
Long & Lat:	Lat: 55.666698, Long:12.5833

6.1. Please provide details of any projects here: (nb. A number of columns are available for filling in data).

The wage topic has been approached in Bangladesh in two different ways:

The SQP in a first step fosters increased wage payments with introducing incentive systems and appropriate workers classification which can translate into higher salaries for individual workers and also helps to improve transparency in the salary calculation. Furthermore, SQP is taking efforts to ensure that overtime is paid correctly. This is done through trainings of management and workers as well as through regularly salary payment monitoring.

In a second step, in Bangladesh, we commissioned GIZ to organize the payment of direct bonuses to workers in one supplier firm in recognition of their quality work. We implement this pilot measure in order to gauge whether such a system can be incorporated into the existing structures and to determine if other textile buyers can be encouraged to implement similar measures.