

# United Nations Global Compact - Communication of Engagement (COE)

**Period Covered:**

**2020 – 2022**

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# Statement of Continued Support

To our stakeholders:

I am pleased to confirm that ICTI Ethical Toy Program (IETP) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication of Engagement with the United Nations Global Compact, we welcome feedback on its contents.



In this Communication of Engagement (COE), we describe the actions our organization has taken to support the UN Global Compact and its Principles between 2020-2022. We commit to sharing this information with our stakeholders using our primary channels of communication.

As the specialist responsible sourcing program in the global supply chain, the well-being of manufacturing workers sits at the heart of our organization. IETP supports buyers and suppliers across 45 countries & regions in various sectors on their Environmental, Social, and Governance (ESG) journey. We are dedicated to developing tools & offering our expertise to help our partners measure and improve their impacts. We help organisations achieve their sustainability objectives and create better lives for workers associated with the production of their products.

In the last two years, we have developed new programs which go beyond our robust social certification, enhanced our technology platforms to drive supply chain sustainability, and formed many collaborative partnerships to amplify impacts.

We look forward to engaging more stakeholders around the globe. Please visit <https://bit.ly/3IGoQ20> to view the support & tools we make available to businesses of all sizes and sectors.

Best Regards,



Carmel Giblin  
President and CEO

# About IETP:

## Who we are:

The ICTI Ethical Toy Program (IETP) is a specialist responsible sourcing program. Originally designed for the needs of the global toy industry, it is now deployed in many sectors with all programs applicable to any industry. With 18 years of experience, IETP is known for its robust Supplier Certification, remote Social Impact Assessment & Environmental Assessment, wide range of capability-building programs, and scalable worker wellbeing initiatives. We support businesses to measure and achieve their Environment, Social, Governance (ESG) objectives, mitigate labor risks and ensure a safe and ethical workplace for workers.

## What we do:

As a Non-Profit Organization, the ICTI Ethical Toy Program fosters industry collaboration, creates impact, increases efficiency, and reduces costs. We are a proud member of the United Nations Global Compact (UNGC) & our program supports a number of the UN's 17 Sustainable Development Goals (SDGs). In particular, SDG3 : Promote Good Health & Wellbeing, SDG4: Quality Education, SDG5: Gender Equality, SDG8: Decent Work & Economic Growth, SDG10: Reduced Inequalities, SDG13: Climate Action & SDG17: Partnerships for the Goals.

With 18 years of experience, IETP offers robust social assessment & compliance certification, a wide range of capability-building programs, scalable worker wellbeing initiatives, and a one-stop responsible sourcing technology platform. We support businesses to measure and achieve their Environment, Social, Governance (ESG) objectives, mitigate labor risks and create better lives for workers.



We go beyond social audits to provide much more than an audit report. We take further steps to certify factories and offer custom capability building to help the factories that need to rectify non-compliances in order to meet the necessary social compliance standards. We are constantly developing our program to meet the changing needs of our stakeholders, we have developed robust Capability Building programs, Management Systems Assessments and, this year, an Environmental Assessment.

Over 1,500 brands, retailers, licensors, as well as 1,000+ manufacturing businesses globally have joined our community of responsible businesses, creating synergies to advance supply chain sustainability.

## IETP Membership

IETP brings suppliers, brands, licensors and retailers together to ensure our programs meet their needs, reducing duplication & compliance costs for every stakeholder. Our one-stop responsible sourcing technology platform, 'Connect' enables our buyer and supplier members to share, monitor and manage ethical supply chain information quickly and easily.

- **Buyer Membership**

ICTI Ethical Toy Program [buyer membership](#) is available to businesses who would like to advance their ESG strategy and gain better oversight across their entire supply chain. Membership to our program provides essential oversight and assurance of labor standards, it also goes beyond audit to strengthen suppliers' engagement.

- **Supplier Membership**

The IETP program offers [suppliers](#) industry-leading social compliance audits, trusted supplier certification, remote assessments, and multi-beneficial worker well-being initiatives. Our capacity-building programs help suppliers improve up to the responsible sourcing requirements of their customers, and open doors to potential new ones.

## Our Programs



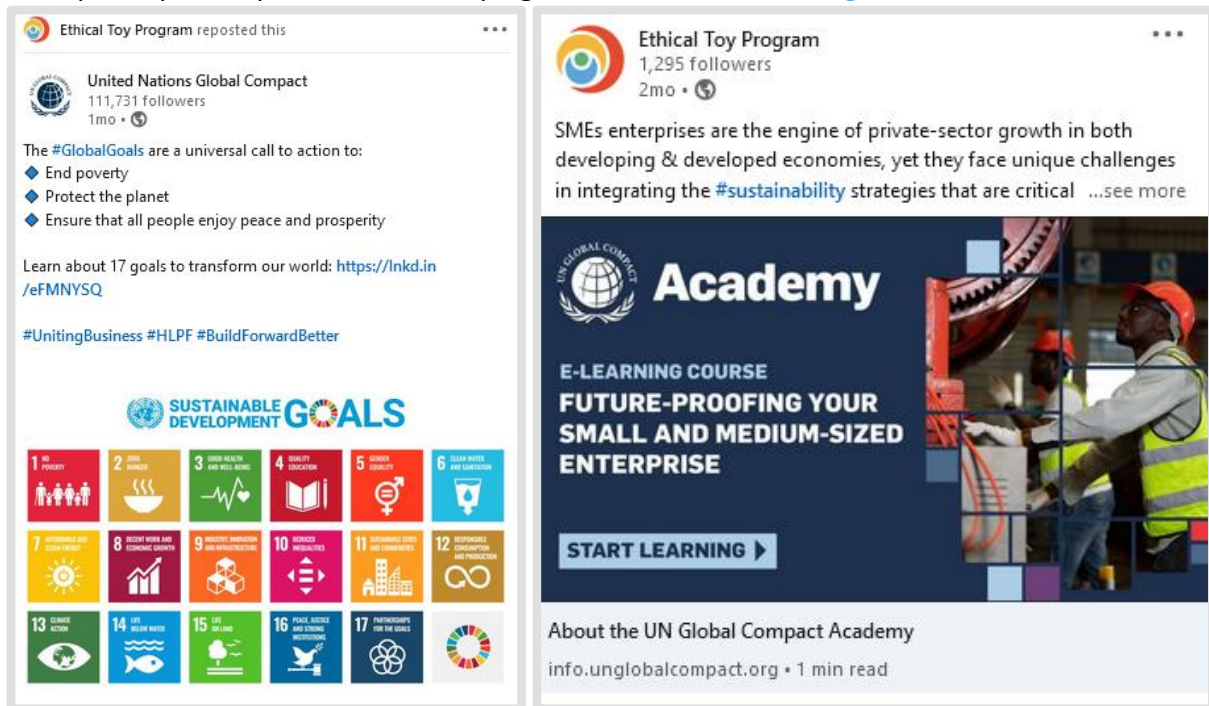
 <p><b>Supplier Certification</b> Full scope social compliance audit program, all non-compliances closed</p>	 <p><b>Social Impact Assessment</b> Verified assessment of management systems</p>	 <p><b>Worker Well-Being</b> A range of well-being programs meeting needs of management &amp; workers</p>	 <p><b>Connect Analytics</b> Data platform helping you benchmark suppliers &amp; identify emerging trends</p>
 <p><b>Environmental Assessment</b> Broad range of environmental areas covered, low-cost &amp; efficient</p>	 <p><b>Gender Equality</b> Needs-base, responsive module promoting the gender balance</p>	 <p><b>Capability Building</b> Needs-base, tailored training programs for suppliers</p>	 <p><b>Industry Collaboration</b> IETP promotes best practice &amp; knowledge sharing</p>

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## Highlights of Actions & Impacts:

### Support and Engagement with UN Global Compact

- IETP raises awareness for UN Global Compact through our social media outreach. We have shared UNGC promotions, e-learning courses, and encouraged staff to participate in promotional campaigns. Visit our [Linkedin Page](#) for more.



- We are pleased our actions were featured in the “[FAMILY-FRIENDLY WORKPLACES Policies and Practices to Advance Decent Work in Global Supply Chains](#)” report by UN Global Compact and Unicef, highlighting our Family-Friendly Space Program, from which 1,100 children and 1,200 factory workers have benefitted, as a great initiative to share with businesses.
- IETP has long understood the need and benefit of ensuring equality in the workplace and in society. In 2022, we signed the [Women’s Empower Principles \(WEPs\)](#), and commit to working every day with the determination to empower women through our actions.
- IETP supported the UNWorking on Business and Human Rights (UNWG)’s “UNGPs 10+ /Next Decade BHR” project by sharing our voice and expertise (2020). We also assigned staff to attend the UN Global Compact Leaders Summit, and Climate and Human Rights Series (2022) to learn from our UNGC network.



## Organizing Learning Events to Promote Corporate Sustainability

IETP hosts all-year-round learning events for Buyer and Supplier members to enhance their knowledge of responsible sourcing and supply chain sustainability. Visit <https://www.ethicaltoyprogram.org/en/news-and-events/> for more.

### Example Events with Supplier Members:

In the last two years, IETP has organized over 70+ events, workshops, and training for supplier members to advance their knowledge and management system on human rights, labour, and social sustainability. These in-person, virtual, and hybrid events have attracted 3,800+ factory managers, see below some examples:

- We hosted exclusive workshops on Electrical Safety and Worker-Manager Relations to promote a safe & decent workplace, in addition to our regular training on how to improve social compliance and labor standards. These workshops aimed to answer Frequently Asked Questions (FAQs), and share best practices so that factory managers could integrate them into their daily operations.



- We collaborated with the Vietnam Chamber of Commerce and Industry (VCCI) to enhance suppliers' understanding of the local laws & regulations on labour rights & standards. We organized online training sessions for factory management on Social Insurance, Health Insurance, and Unemployment Insurance in Vietnam.
- We offer E-learning courses to raise awareness of responsible recruitment, the course educates workers on acceptable dispatch worker agency practices to prevent exploitation, child labour or forced labour.

### Example Events with Buyer Members:

- We worked with trade organizations and national toy associations to discuss opportunities and challenges in India, Indonesia, Vietnam and Mexico to promote supply chain diversification. In every webinar, IETP introduced the basic concept of responsible sourcing to all participants.
- IETP also hosted a webinar on “[Improve Supply Chain Transparency Through Worker Insights](#)”, sharing the trends and lessons learned from our IETP Worker Helpline (a free supply chain grievance mechanism). The webinar highlighted how analytics can indicate areas of vulnerability & potential social risks to businesses so that they can take action before issues develop and ensure supply chain sustainability.

## Engaging Members to Deliver the Global Goals

IETP's programs and worker wellbeing initiatives present opportunities for buyers and suppliers to take action and partner up to drive collaborative impacts in the areas of Human Rights, Labour, Environment and Anti-Corruption.

### Human rights, labour & social sustainability:

To promote responsible sourcing, our [Supplier Certification](#) and remote [Social Impact Assessment](#) engage suppliers and vendors from different levels to measure and improve their social and labour aspects, ensuring worker safety and workplace conditions.

- **Supplier Certification:** 1,000+ global suppliers have taken our on-site social audit to access their compliance performance, followed by Progress Visits to review and discuss progress and obtain tailored guidance and support to improve up to standards. The combination of assessment and capability building provides suppliers with comprehensive tools to advance corporate sustainability.

Unlike other social audits that provide a snapshot and required suppliers to resolve issues on their own. Our certification ensures all non-compliances are rectified with support. It provides trusted assurance and confidence that the products made at IETP-certified factories are respecting the workers making them and are compliant with legal social requirements.

- **Social Impact Assessment:** launched in 2021, the remote assessment has been adopted by Licensees, Vendors, Agents, and manufacturers across almost every continent. The non-category-specific self-assessment tool enables businesses to evaluate the effectiveness of the management systems in place safeguarding worker safety and workplace conditions, so they can identify priority areas and use tailored improvement plans to map a path to improvement.

IETP also offers opportunities for buyers and suppliers to take part in our social sustainability & worker well-being programs creating decent work opportunities, empowering working parents, and advocating for gender equality. One example includes:

- **Family Friendly Spaces Program**, free factory-based childcare facilities proven to enhance children's development, improve parenting skills, increase parental earnings & promote employment. ([Read our 5 years progress report](#))



Visit <https://www.ethicaltoyprogram.org/en/our-program/worker-well-being/> to learn more about our worker-wellbeing Programs, and the businesses that are taking collective actions with us.



## Environment:

In 2022, IETP expanded its reach from social responsibility to environmental sustainability. Supported by a dedicated group of responsible sourcing experts, IETP launched an online Environmental Assessment. The new online tool facilitates climate action for the global supply chain. IETP's [Environmental Assessment \(EA\)](#) is a quick and cost-effective solution buyer can use to gain oversight of the positive and negative environmental impacts of their business operations and those of their suppliers.



## Anti-Corruption:

IETP promotes our confidential Online Auditor Assessment regularly via our social media channels (WeChat) requesting suppliers to provide feedback and concerns. This online feedback tool ensures audit integrity, offering suppliers a clear channel to anonymously assess third-party auditor's behavior, share feedback, and report any concerns they may have. The direct feedback from suppliers will help us ensure that all audits by Ethical Toy Program accredited audit firms are of consistent quality. The auditor assessment functionality also acts as a deterrent against unprofessional auditor conduct.

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