



SAQ Community Update

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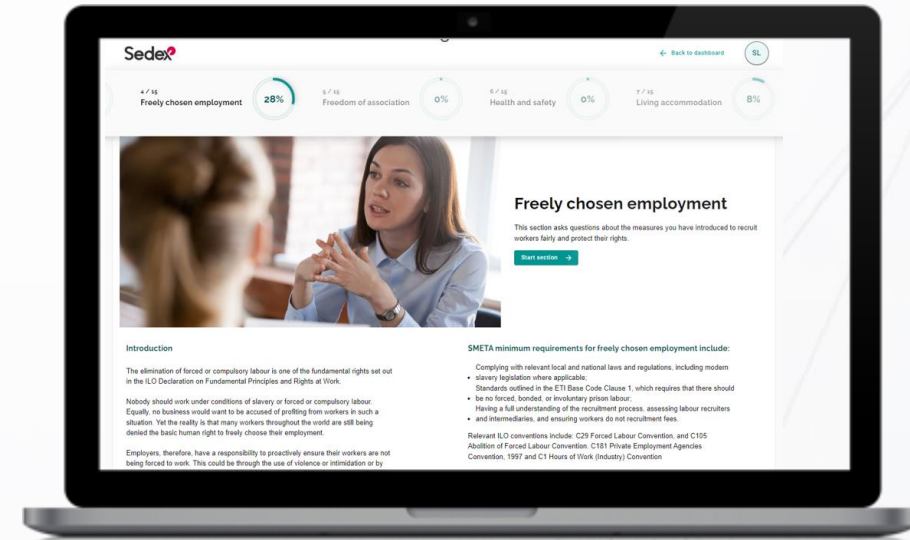
16 August 2023

A man with short dark hair, a beard, and glasses is sitting at a white desk, smiling broadly while typing on a silver laptop. He is wearing a light blue button-down shirt. The background is a solid teal color.

Problem to be solved...

"It takes too long for my suppliers to complete their Self-Assessment Questionnaire (SAQ)"

New Self-Assessment Questionnaire (SAQ) for Goods Providers



- Improved design and faster performance
- Easier to complete than the previous version
- Up to 70% central SAQ questions for multi-site suppliers
- Better risk data (inc. recruitment and housing of migrant workers)
- Aligned with SMETA/ETI clauses
- In-built rationale for each question, plus guidance & definitions
- New optional comment fields
- Bitesize guidance videos to improve data quality
- Better reporting output, including new Management Controls report

The story so far

Q3 2021: User research

Q4 2021: Proposal presented to key members

Q1 2022: Kick off project advisory group

Q2 2022: Testing with suppliers

Q4 2022: Transition plan, MVP design and early access

Q1 2023: MVP build

The new Goods Provider SAQ launched to new Goods Provider (B members) on

17th May 2023

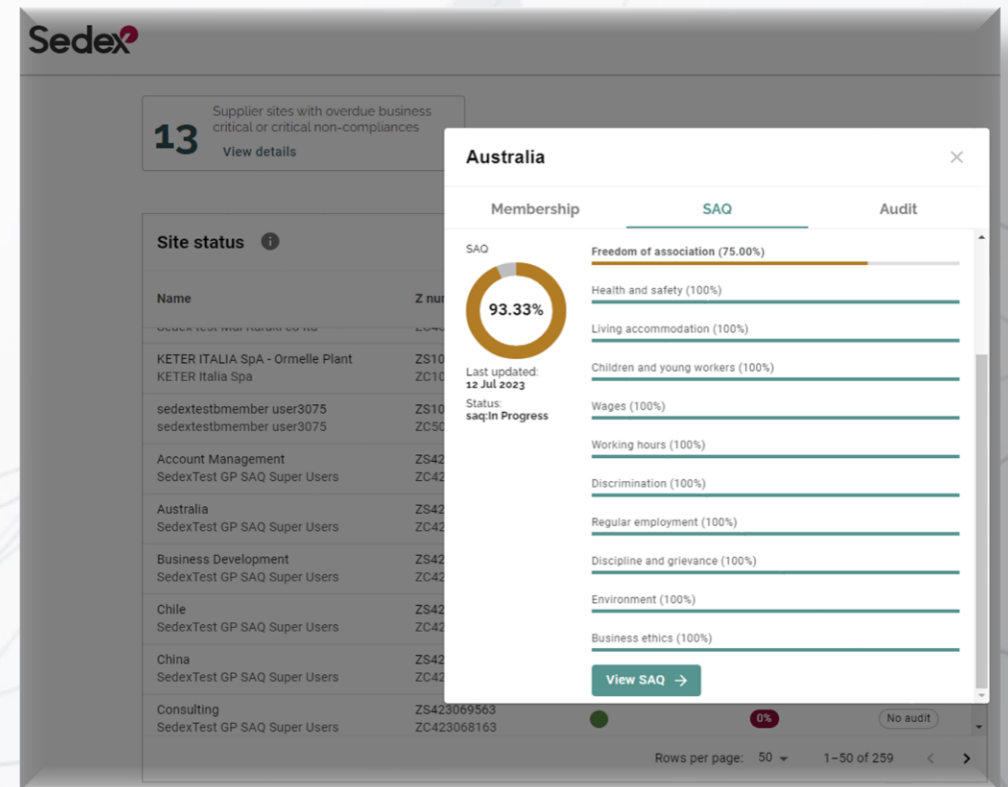
Over 3,000 sites have completed it

When will everyone else see it?

The Goods Provider SAQ will be launched to all remaining Goods Provider sites in

Q3 2023

- Sedex will encourage sites to complete the new SAQ within 6 months of the launch
- Customers will see supplier results for both the current and the new SAQ during the transition period
- If a site has both SAQs, Sedex will display the most complete & recent SAQ by default in Site Status and the Tracker




SAQ Outputs: Risk Scores

RISK FACTOR	EXAMPLE ANSWER
No risk	A free and independent trade union is active in the workplace.
Minor	Workers receive between 10% - 30% of their pay as 'in-kind' benefits
Moderate	Over 15% of the site's workforce are apprentices, trainees or interns.
High	Workers are hired through temporary, seasonal or guest worker programmes.
Critical	Workers travel from 'high risk' countries sending countries to work at the site.

- Same outputs for new SAQ as before:
 - a) Risk and b) Management Controls scores
- 28 SAQ indicators selected as key to helping companies to identify potential risks
 - Considers characteristics of a supplier site, such as: type of workers, labour intensity, recruitment practices, worker representation etc.
 - Full list, and rationale, available in our SAQ Briefing Note
 - Combined with Country & Sector ('inherent risk') score to create an overall risk score

SAQ Outputs: Management Controls Report & Score

- Helps suppliers to assess their risk management practices & identify areas for improvement.
- New version created for the new SAQ:
 - ✓ Has updated design
 - ✓ Uses a simplified scoring framework
 - ✓ Gives suppliers access to see specifically where to improve
 - ✓ Will allow companies to track changes over time


Data Sheet

My sites/suppliers' site

My sites

Customer

ZC230688f3 - SedexTest GP SAQ Super.

Site

ZS230688g2 - ETC

View dashboard

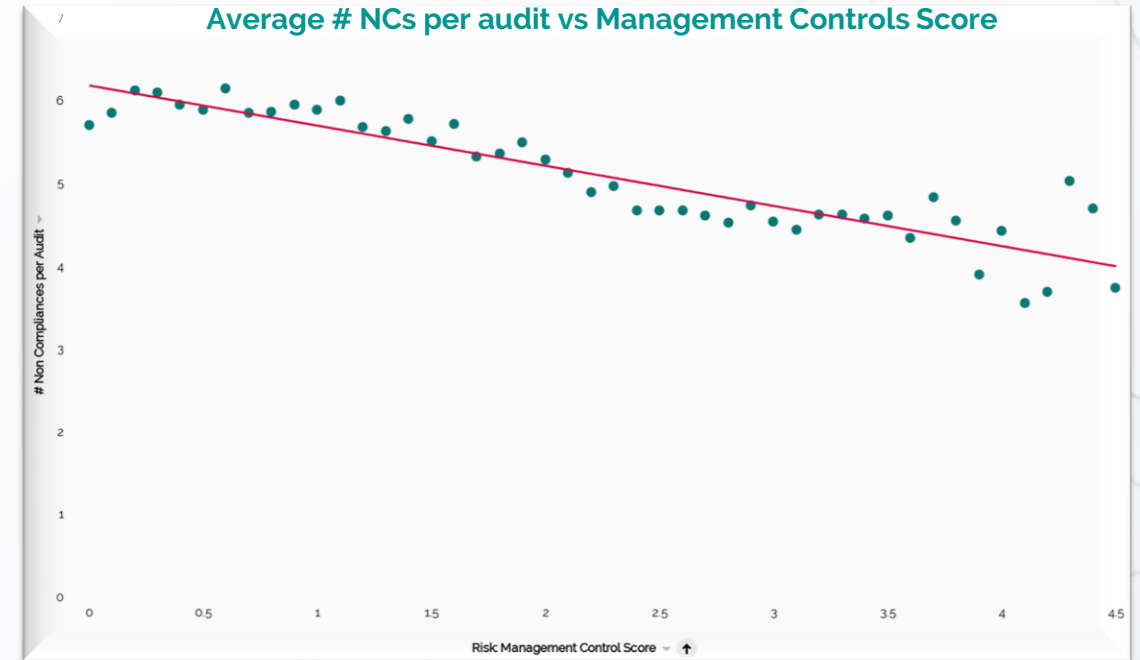
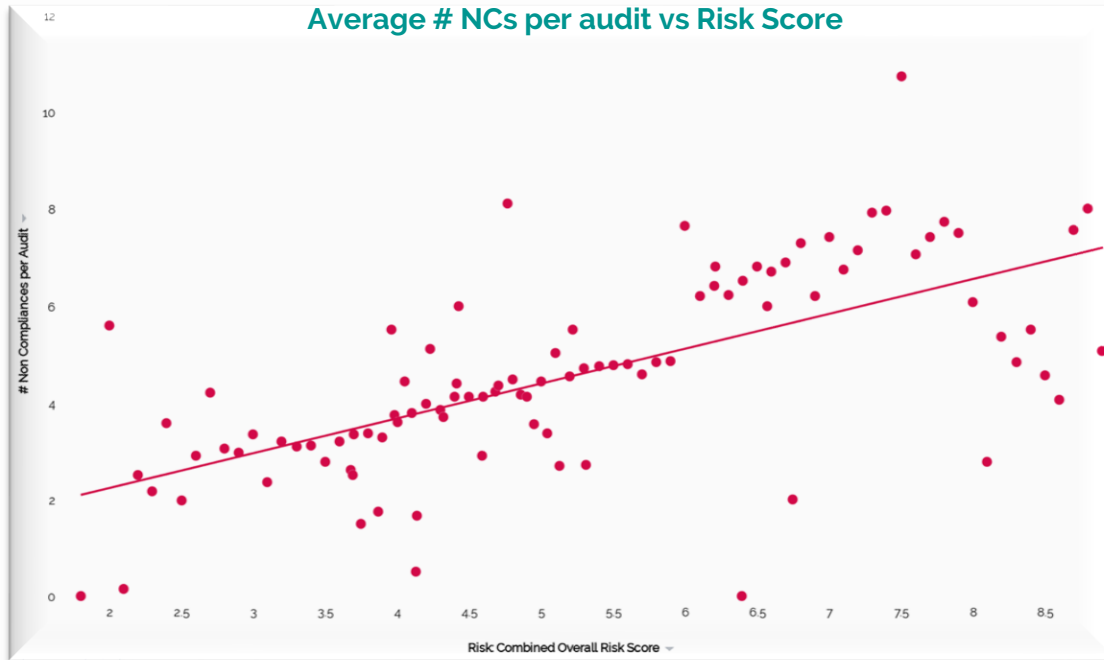
Section	Subsection	Question	Why question is asked	Max points available for question	Points achieved for question	Available answers	Practice level	Points available answer
Management systems	Policies and procedures	Is there a senior manager or business owner accountable for ensuring the standards detailed in these policies are applied?	Without a senior manager who is responsible for ensuring the requirements of the labour standards policies are met, there i	1	1	No	None	0
						Yes	Basic and essential practice	1
Management systems	Policies and procedures	Is there an executive or someone at board level accountable for ensuring the standards detailed in these policies are applied?	Having a senior representative of the business responsible for meeting the requirements of the labour standards policy demonstrates a high level of commitment to corporate integrity, accountability, and ethics.	3	3			
Management systems	Policies and procedures	How do you ensure supervisors and team managers understand and apply these policies?	It is important that managers and supervisors are trained on your policies so they can be implemented in practice. A social auditor will look to understand the effectiveness of the training during their visit.	3	3			
Management systems	Policies and procedures	Are supervisors and team managers trained in how to identify, handle and report instances of worker exploitation?	Businesses should train staff on how to prevent, detect and deal with cases of exploitation, such as forced labour or modern slavery. 1.	3	3			
Management systems	Human rights	Has your company committed to a human rights due diligence	The UN Guiding Principles on Business and Human Rights clarify that all	2	2			

Management controls (Latest) ?

Overall score (2.6)
★ ★ ★ ☆ ☆

	# of points available	# of points achieved	% of points achieved	Weighted score
Profile	6	6	100.0%	5.0
Workplace impact	5	5	100.0%	5.0
Management systems	27	25	92.6%	4.7
Freely chosen employm..	51	19	37.3%	1.9
Freedom of association	6	6	100.0%	5.0
Health and safety	31	30	96.8%	4.9
Living accommodation	8	2	25.0%	1.3
Children and young wor..	10	3	30.0%	1.5
Wages	23	10	43.5%	2.2
Working hours	19	16	84.2%	4.2
Discrimination	41	4	9.8%	0.5
Regular employment	15	7	46.7%	2.4
Discipline and grievance	29	15	51.7%	2.6
Environment	44	15	34.1%	1.7
Business ethics	9	7	77.8%	3.9

How are the scores reflected in practice?



- Sites with higher risk scores typically have more audit non-compliances
- 400% increase in critical NCs for 'high risk' compared with 'low risk' sites

- Sites with better Management Controls scores typically have fewer audit non-compliances

Q&A



Sedex

Community

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Gurugram | London | Santiago | Shanghai | Sydney | Tokyo



Upcoming Community events



17 August

[SAQ actualización de la Comunidad - Proveedores \(LATAM\)](#)

23 August

[SAQ Community Update: Supplier Focused Session \(APAC\)](#)

[SAQ Community Update: Supplier Focused Session \(EMEA/Americas\)](#)



26 & 27 September

[Sedex's Audit Quality Programme: Driving Improvement & Best Practice - APAC](#)

[Sedex's Audit Quality Programme: Driving Improvement & Best Practice - EMEA/ Americas](#)



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