

## Sedex Grievance Process

### Introduction

Sedex provides one of the world's leading collaborative platforms for sharing sustainable and responsible sourcing data on supply chains. Buyer and supplier companies use Sedex to manage their performance by using SMETA audit reports covering four pillars of Labour Rights, Health & Safety, the Environment and Business Ethics. Sedex Members and businesses rely on SMETA for consistent and accurate data to support their business sourcing decisions.

From time to time Sedex may receive complaints from members, Affiliate Audit Companies (auditors permitted to conduct SMETA audits) or third parties, relating to the quality or content of data which has been uploaded onto the Sedex Information Exchange platform, or in relation to the worker rights or labour practices of Sedex members.

The purpose of this Grievance Process is to provide a fair, independent and reasonably prompt dispute resolution process, in relation to these allegations or complaints, as part of Sedex's mission to preserve worker protection.

Sedex's role in the Grievance Process is to facilitate communication between Members and AACs, or with one or more Members or AACs, helping them find a resolution to the issue raised. Sedex reserves the right to impose sanctions against its members and AACs where the standards of membership have not been met (see below). It is important to highlight that Sedex is not a regulator and cannot impose outcomes in relation to disputes between Members or with Audit Companies.

### Confidentiality and treatment of data

The primary purpose of the Grievance Process is to ensure Sedex has a robust and effective process in place to respond to complaints raised about its Members or AACs. Where data of a confidential or business sensitive nature is shared with Sedex, as part of this process, Sedex will endeavor to keep the data confidential and only share such data with a third party with the consent of the relevant party.

### Disclaimer

Where Sedex receives allegations of a serious nature, including the health and safety of workers, Sedex reserves the right to immediately notify relevant regulatory authorities that should be alerted. Sedex cannot be held liable for any loss or damage, including indirect loss, loss of profit, damage to reputation or goodwill, in relation to Sedex administering this Grievance Process. Furthermore, clause 9.6 (Sedex limitation of liability) of the [Terms of Service](#) shall continue to apply in relation to this Grievance Process.

## Application – legal terminology

This Grievance Process is implemented pursuant to the Sedex Terms of Service<sup>1</sup> and capitalised terms in this document shall have the meaning ascribed to them in the Terms of Service unless separately defined in this document. Sedex Members and Affiliate Auditor Companies (AACs) are bound by the terms of this policy as part of signing up to the Terms of Service.

## Scope

Sedex Members and AACs can raise a complaint to Sedex via email ([grievance@sedex.com](mailto:grievance@sedex.com)), with sufficient detail, about an issue relating to a SMETA audit. Where appropriate, Sedex may invoke this Grievance Process to manage the complaint. For the avoidance of doubt, Sedex may also raise a concern in relation to a SMETA audit to invoke this Grievance Process.

Valid complaints include issues related to the SMETA process, in relation to:

- An AAC management system
- Auditor conduct, knowledge and skills
- SMETA methodology or SMETA report
- Integrity/ethics
- Other relevant issues.

For example, Members may raise issues about:

- Planning
- Resourcing
- The type of audit
- The length of audit, document review and workers' interviews
- Reporting, including Corrective Action Plan Report (CAPR)
- Non-compliance findings
- Unethical behaviour during the audit
- Other relevant issues.

AACs may raise issues about:

- Unethical behaviour during and after the audit
- Application process
- Others.

The Sedex Grievance Process will NOT deal with issues relating to:

- Audit cost
- Complaints that are not made in good faith
- Allegations which are unsubstantiated, based solely on media and social media reports or which are politically or commercially motivated.

---

<sup>1</sup> <https://cdn.sedex.com/wp-content/uploads/2020/07/Sedex-Terms-of-Service-2019.pdf>

## Process

Sedex will ensure that the complaint is handled fairly and in good faith, by a trained Sedex staff person. All complaints, appeals and allegations related to SMETA audits brought to the attention of Sedex by Members or AACs will be reviewed.

If a complaint or query is vexatious in nature, invalid (for instance, based on false assumptions), or is outside the scope of the Grievance Process, we will use best endeavours to inform the Complainant within 2 days of receiving the query that Sedex will not take this further, and outline the reasons.

Depending on the nature of the issue, Sedex reserves the right to investigate a complaint (or an appeal) independently, or in conjunction with the Complainant, a Member or AAC. As part of its investigation into a complaint Sedex may ask that a Member or AAC investigate the allegations and share their findings with Sedex on a timely basis. In order to close out matters under investigation, Sedex may request that Members undergo additional actions, such as validation audits or that AACs undertake shadow audits. These are not a limitative list of actions which Sedex can ask its Members and AACs to undertake.

The purpose of the Information Exchange platform is to provide a level of transparency of labour practices, by Suppliers, to linked Buyers on the platform. Sedex will therefore inform Buyers of cases where the Grievance Process has been invoked, in relation to their linked Suppliers, but only after affording a right of response for the Supplier Respondent, as set out below.

### Timeline for Sedex investigation

The following sets out the process for investigating complaints relating to SMETA audits, or as provided above, under the Grievance Process:

Stage	Action	Timescale
1	Sedex receives a complaint and carries out an initial review (as soon as practicable). If the complaint warrants investigation, Sedex initiates the Grievance Process. If the case is deemed valid, and provided the Complainant so agrees in writing (including by email), Sedex will send details of the complaint to the Respondent. Where appropriate, Sedex shall protect the identity of the Complainant.	Initiation date.
2	The Respondent acknowledges receipt of the complaint and determines the acceptability of the complaint based on information received.	Within 2 working days of initiation date.

3	<p>(i) The Respondent investigates the complaint, internally, and provides an initial investigation report in writing to Sedex.</p> <p>(ii) Sedex warns the Respondent that the Process includes alerting the linked Buyers of the investigation, following this initial internal investigation stage.</p>	Within 10 working days of initiation date.
4	<p>(a) <b>Complaints against members:</b> Where appropriate, Sedex reserves the right to inform linked Buyers of the investigation and subject matter of the complaint – and is transparent with the Respondent about this process step.</p> <p>(b) <b>Complaints against AACs:</b> Where appropriate, Sedex reserves the right to inform members who have visibility of the audits conducted by an AAC, and which require follow up action or remediation, of the investigation and subject matter of the complaint – and is transparent with the Respondent AAC about this process step.</p>	After the 10 working days from initiation date, having allowed a right of response to Respondent (whether response received or not).
5	Sedex may request further details or suggest further actions before the investigation report is finalised. The Respondent shall collaborate with Sedex to finalise the investigation report, within 5 working days (unless a longer period of time is agreed with Sedex).	Within 30 calendar days of initiation date.
6	<p>The Respondent shall make every effort to provide the final investigation report, in writing and in a format suitable to share with the Complainant, where appropriate. Sedex issues a <b>decision</b> – including a Sanction where appropriate.</p> <p>Sanctions may include:</p> <p>(i) Imposing conditions on the ongoing membership or affiliation of a Member or AAC; or</p> <p>(ii) In cases which amount to a material breach of the Sedex Terms of Service, suspending or terminating membership of Sedex under clauses 13.5 and 14.4 of the Sedex Terms of Service.</p> <p><b>Caveat:</b> where a sanction results in suspension or termination of an AAC, and where linked members have unresolved audit issues with such AAC, then such suspension or termination will take place no sooner than 30 days after the date of the decision, to allow follow-up audits or similar to be finalised.</p>	<p>Within 30 calendar days of initiation date. Sedex decision date.</p> <p>Suspension or termination of AAC – effective 30 days later – to allow for outstanding remediation activities and follow-up audits.</p>
7	<p>Right of appeal: The Respondent has the right appeal a decision under the Grievance Process,</p> <p>If an appeal is successful, this may overturn a decision by Sedex to sanction, but it does not consider the factual matrix again unless new evidence has come to light.</p>	Within 10 working days of the date Sedex notified the decision.

8	Sedex monitors the implementation of any remediation actions provided in the final investigation report, with a view to closing the case. Depending on the outcome, Sedex may monitor or request updates.	Within 60/90 calendar days of initiation date.
---	---	--

Sedex will establish whether the investigation report produced by a Respondent provides sufficient level of detail to respond to the complaint. In particular, Sedex will look for:

- Proper root cause analysis
- Clarity in analysis and recommendations
- Establishment of a preventative and corrective action measure.

All complaints shall be logged by Sedex, and records kept of remediation steps taken.

Any interested party or affected stakeholder may submit a complaint. Complainants should have some connection to the issues being complained about and must be able to supply information about these issues. The complaint should also state clearly what resolution or remediation is sought. Complaints must be in writing, using the "Complaint and Appeal Case Monitoring Report" which can be found below and providing the information and data requested in this template. **Complaints must be sent to the Sedex Responsible Sourcing department and to the email address: [grievance@sedex.com](mailto:grievance@sedex.com).**



QMP  
04-02\_Complaint

**By submitting a complaint, the Complainant agrees to comply with the requirements of this Grievance Process.**

### **Respondent terminates Sedex membership/affiliation**

Should a Respondent Member or AAC choose to withdraw membership or affiliation (as concerns AACs) following receipt of a grievance, but before a decision has been made, Sedex will still make a decision as part of the Grievance Process. The Respondent Member or AAC is invited to continue to engage with all steps to be completed by it under the Grievance Process but if it does not participate, those steps requiring participation of the Respondent Member or AAC will be passed over.

### **Whistleblowing complaints**

In the event a complaint is brought to Sedex, which is whistleblowing against a Member, Sedex may invoke this Grievance Process but shall:

- Respect any request for anonymity and shall treat any complaint which could result in harm to a worker, if disseminated, as anonymous; and
- May make any necessary and proportionate adjustment to the Grievance Process to ensure that anonymity can be appropriately maintained without adversely affecting the ability of either party to otherwise fully follow the process.

## Appeals process

Any of the parties to a complaint can request a review of whether Sedex has properly complied with the procedure set out in this Grievance Process policy. The review will not re-examine the substance of a decision by Sedex. It is intended to identify procedural errors or a perception that a decision has been made unfairly. A request that Sedex review a decision hereunder shall be referred to as an "Appeal".

Appeals must be made in writing and sent to the email address: [grievance@sedex.com](mailto:grievance@sedex.com). Appeals must be made at any time up to and within 10 business days of the date of receipt of notice by Sedex that a case has been closed/ decision to Sanction has been issued. Appeals received after such date may not be reviewed by Sedex.

Appeals will be considered by the Sedex Responsible Sourcing department and may be escalated to a panel comprising the CEO and an Independent Director of the Sedex Board where a decision to suspend or terminate is appealed.

Sedex will make all reasonable endeavours to ensure that Appeals are investigated, and a final recommendation made to all interested parties, in writing, within 20 working days from the date the Appeal was received by Sedex.

*ends*