



# UN Global Compact Communication on Engagement (COE)

Period covered by this Communication on Engagement:  
From November 2018 to November 2020



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## Sedex statement of continued support

Sedex is pleased to reaffirm our support for the United Nations Global Compact and its 10 Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement (COE) with the United Nations Global Compact. We welcome feedback on its contents.



Sedex's mission is to improve working conditions for people working in global supply chains, by empowering businesses with the tools they need to ensure responsible business practices across their business and supply chains. In 2019, the Sedex membership reached nearly 60,000 members, demonstrating the powerful reach of Sedex, our members and the Sedex community, and shows the importance the world continues to place on sustainable and ethical supply chains.

In this Communication on Engagement, we describe the actions that our organisation has taken to support the UN Global Compact and its Principles as suggested for an organisation like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.



Sincerely,  
**Simon McCalla**  
 Chief Executive Officer, Sedex



# About Sedex and our membership





## Introduction to Sedex

Sedex is a leading responsible business membership organisation. Headquartered in London, with offices in Gurugram, Chile, Shanghai, Sydney and Tokyo, we work with companies across the globe to improve working conditions in supply chains.

Sedex enables companies to work together to better manage their social and environmental performance and protect people working in their supply chain. We have 16 years of expertise operating in responsible sourcing and work with some of the world's most recognisable brands and standard-setting organisations.

One of the biggest challenges facing companies is the multi-tiered complexity of their supply chain, which makes it difficult to uncover issues affecting working conditions. Mapping the supply chain and multiple suppliers through each tier makes it difficult for companies to be aware of their socio-economic risks and addressing these risks can be highly time consuming and labour intensive.

Our work centres on helping businesses to achieve end-to-end supply chain visibility, to identify issues, establish and maintain responsible operating principles, and to understand and better resolve the inherent risks affecting people and businesses in global supply chains. This includes tracing human rights issues, gender inequalities, sustainable sourcing and general worker welfare.

We do this with:

- An industry-renowned social audit methodology (SMETA)
- Tools for organisations to assess and analyse their business and supplier performance
- An ethical data exchange platform where suppliers and businesses can share data
- Supply chain risk identification and management for issues such as modern slavery
- Training and guidance for both buyer and supplier businesses on ethical trade and achieving this across global supply networks.



Sedex works across 35 industry sectors, including food, agriculture, clothing and apparel, packaging and chemicals. Over 60,000 member organisations use the Sedex platform and services to exchange ethical data, manage business risk, meet compliance and drive positive impact on people.

Sedex is also home to SMETA (Sedex Members Ethical Trade Audit), one of the most widely used social audit methodologies in the world. Our work supports our members to meet their own commitments to the UNGC, within their own organisations and through their supply chains.

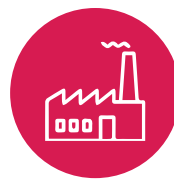


## The value we bring our members



### **Founded by businesses, for businesses**

We've been working with businesses for 16 years, listening to stakeholders across member organisations to develop products and services that address their needs.



### **Sedex supports businesses of every size, scale and sector**

From fruit farms looking to demonstrate performance, to international household brands mapping their supply chain, our products and services are designed to meet the needs of every type of business.



### **Local teams to meet local needs**

Our regional teams across the UK, Australia, India, Latin America and China understand the specific needs of local markets.



### **Global community**

As a membership organisation, Sedex provides a forum to connect with a 60,000 strong membership of likeminded companies, creating opportunities to do ethical business and approach shared topics of interest.



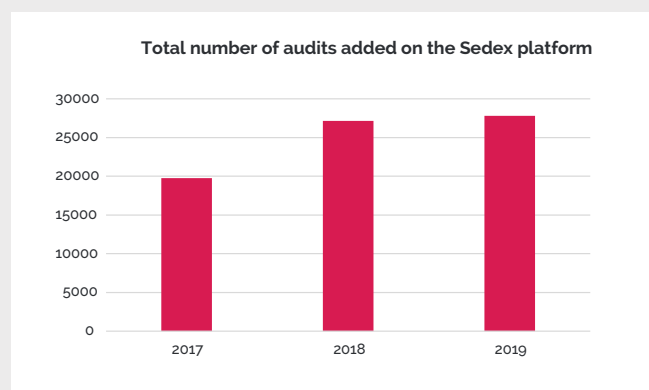
### **We speak your language**

Language is no barrier to working with Sedex. Our tools, guidance and support from our team is available in over 10 languages.

## Sedex impact in numbers

By the end of 2020, we will have increased our global reach to over 60,000 businesses around the world. This shows how our work reaches an increasing number of businesses and the workers in their supply chains, illustrating how we enable even more companies to work towards the UNGC principles.

The Sedex platform and SMETA continue to enable assessment at an increased number of sites and their working conditions



Since 2017, the number of audits added into Sedex Advance has increased by 7%. This demonstrates greater assessment activity among Sedex members and adds to the data available for insight and analysis of working conditions.

### Growth of membership

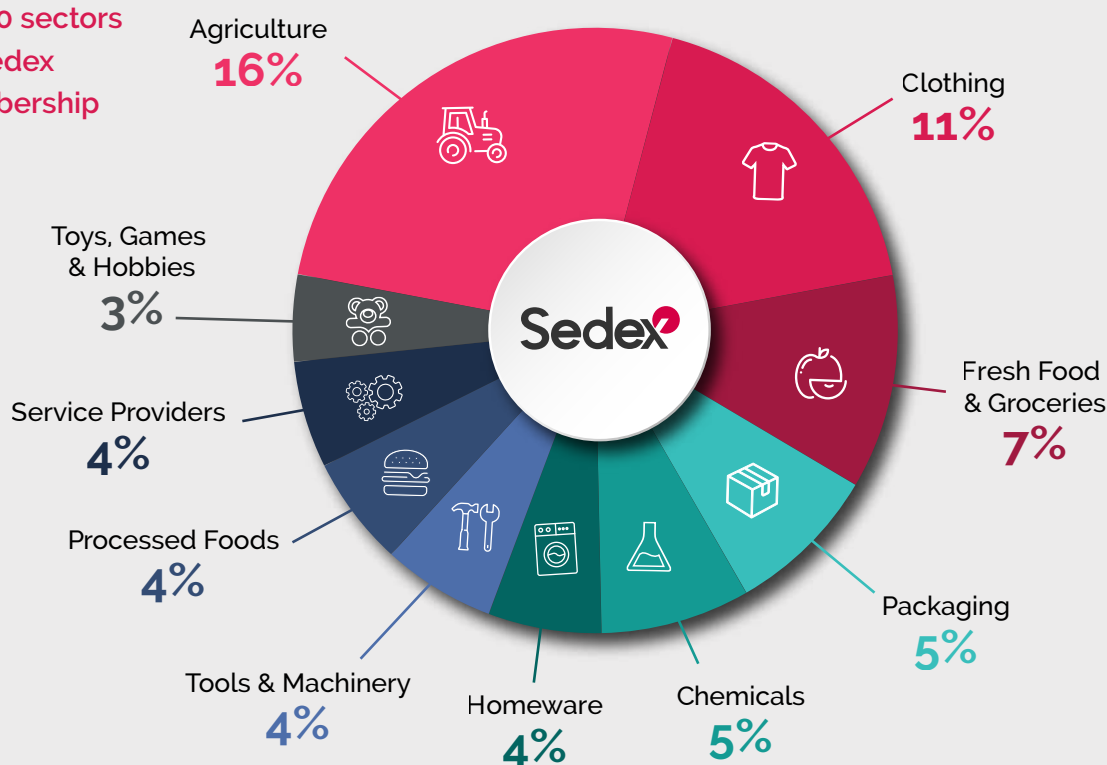
Since 2017, we've increased our reach to workers across the globe, through a growth of:

- **11%** across all our membership categories and industries
- **6%** across buying organisations
- **10.5%** across supplier organisations.



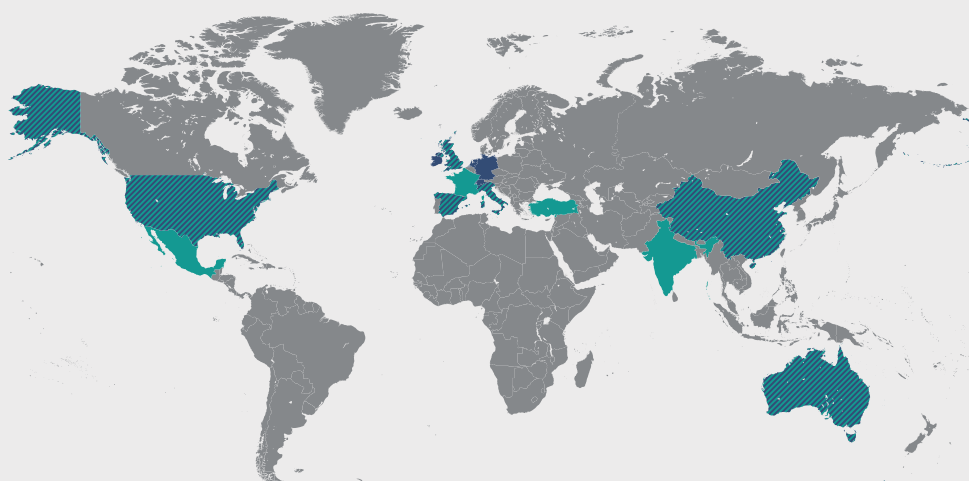
## Sectors for Sedex membership: breadth of our scope across industries

### Top 10 sectors for Sedex membership



## Highlight of Sedex in numbers: supporting more businesses to meet the UNGC Principles

- Increasing our scale to 60,000+ members across global regions
- Reaching over 30 million workers in supply chains
- Providing over 16 years of data, insight, assessment, and training



### Top 10 buyer member countries

- |                         |                            |
|-------------------------|----------------------------|
| 1. UK - 53%             | 6. Ireland - 2%            |
| 2. USA - 13%            | 7. Spain - 2%              |
| 3. Australia - 5%       | 8. Switzerland - 2%        |
| 4. The Netherlands - 4% | 9. Italy - 1%              |
| 5. Germany - 3%         | 10. China (Hong Kong) - 1% |

### Top 10 supplier member countries

- |                   |                 |
|-------------------|-----------------|
| 1. China - 22%    | 6. Italy - 3%   |
| 2. UK - 12%       | 7. Mexico - 3%  |
| 3. India - 8%     | 8. Spain - 3%   |
| 4. USA - 5%       | 9. Turkey - 3%  |
| 5. Australia - 4% | 10. France - 2% |

Country appears in both top 10 lists



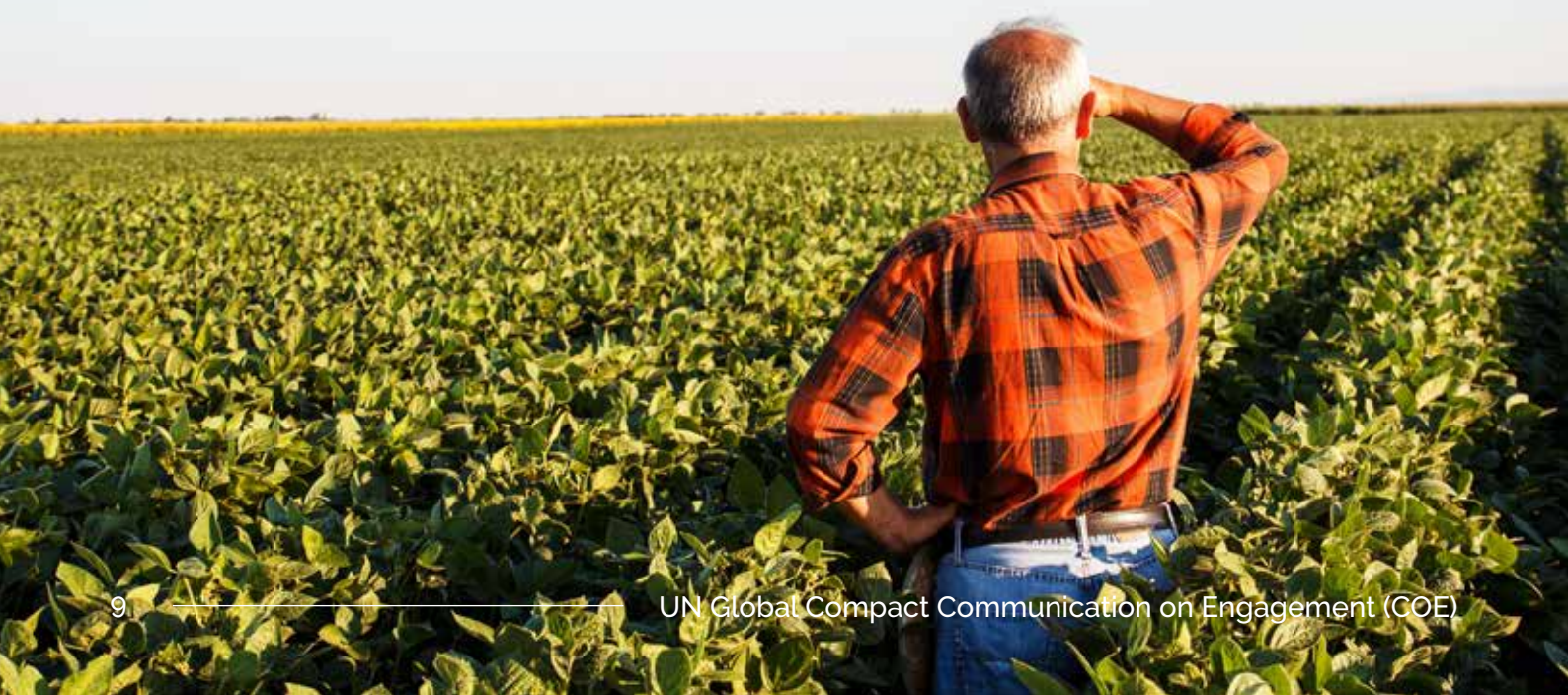
# Activities and impact: supporting members through COVID-19

## New tools, guidance and insight

Throughout 2020, we rapidly developed and launched tools and guidance to support our members during these unprecedented times. The aim was to enable our members to better understand the needs of suppliers, adapt their business operations and continue assessing site conditions even during safety-related restrictions. This helps members to better respond to the impacts of COVID-19, supporting more resilient supply chains and human rights due diligence efforts, in line with the aims of the UNGC Principles..

Our COVID-19 support to continue to maintain responsible working conditions during the pandemic includes:

- **Sedex Virtual Assessment** – a first-to-market virtual social assessment tool, aligned with SMETA, to allow members to continue supply chain assessment even while safety restrictions continue
- **COVID-19 Modular SAQ** – a self-assessment questionnaire for suppliers, focusing specifically on the impacts of COVID-19, to help members understand the impacts and responsive activity within their supply chain
- **Direct Worker Reporting** – a remote worker voice tool, enabling members to gather direct, anonymous feedback from site-based workers in their supply chains
- **COVID-19 Guidance Hub** – actionable guidance, best practice and insight (e.g. into vulnerable worker groups) to support members through the pandemic
- **COVID-19 Impacts Report** – insight gathered from over 3,300 Sedex member businesses to understand the impact of COVID-19, guiding both us and our members in responding.



## Sedex Virtual Assessment

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Sedex is proud to offer the Sedex Virtual Assessment to support members. This first-to-market tool launched in 2020.

This virtual assessment is a due diligence tool which an auditor can use to assess the performance of a site remotely, using video conferencing. This provides a practical alternative where SMETA audits cannot take place.

This tool is aligned with the SMETA social audit methodology, aiming to provide as much insight into working conditions at a site, as possible. Following a thorough planning stage, auditors lead a virtual site tour using video technology, as well as an examination of the site's management systems and documentation.

**Impact: Since the launch of the tool nearly 600 virtual assessments have been conducted, with month-on-month growth to November 2020. This shows the ability and value of the virtual assessment in supporting members to continue assessing sites and working conditions during the pandemic, identifying labour rights issues and taking effective action to resolve these.**

## COVID-19 Modular SAQ

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As part of the wider suite of products Sedex has developed to help businesses better understand the impact of COVID-19 on workers and global supply chains, we launched a COVID-19 Modular SAQ.

This module is a set of questions that sits alongside our core [Sedex Self-Assessment Questionnaire \(SAQ\)](#), and can be applied to all or some of our members' supplier sites. This enables members to share targeted questions with suppliers to understand the impact of COVID-19 on their business and on supply chain workers.

This includes understanding the impact on a supplier's business. This in turn allows buying organisations to effectively support suppliers in protecting workers' health and safety, protecting workers' incomes and financial impact, and ensuring business continuity and relationships with customers and suppliers.

**Impact: 1,547 sites have completed the SAQ to 95%. This has helped members to continue monitoring their supply chains, supporting continued human rights due diligence as part of the UNGC Principles.**

## Direct Worker Reporting

Gaining regular insights directly and anonymously from workers is crucial for understanding working conditions, yet communicating directly with workers at scale can be a challenge. Sedex has launched a worker voice tool to enable feedback directly and anonymously from workers throughout the supply chain, using mobile survey technology.

**Sedex has partnered with &Wider to offer the tool**, which allows companies to listen and respond to workers and make improvements across their business and supply chain.

The Direct Worker Reporting tool allows businesses to gather this feedback at scale, using a mobile-based survey format to protect workers' anonymity and collect insights remotely. The survey asks about working conditions, workers' wellbeing and livelihood, operations, and processes.

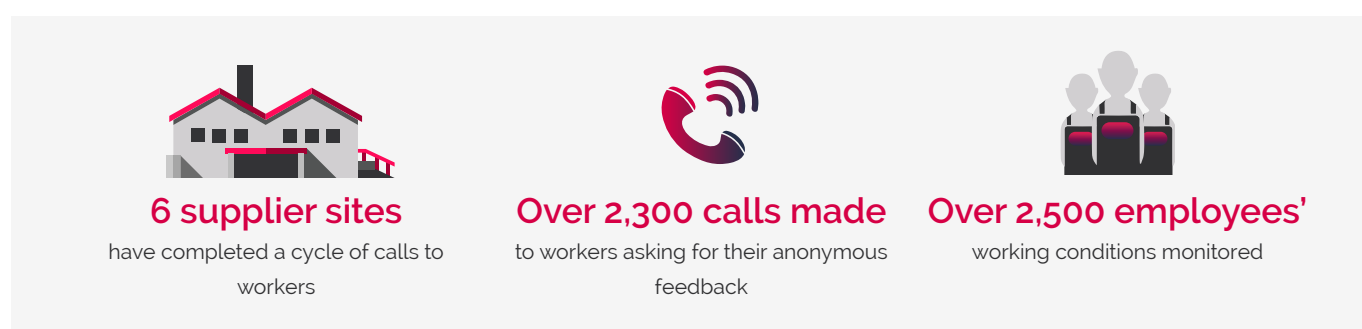
**Impact:** Through this tool, we help businesses gather direct feedback from supply chain workers, identifying and resolving issues around working conditions in line with the overall principles of the UNGC.





Buyer perspective: Sainsbury's	Supplier perspective: Surexport
<p>"Ideally Direct Worker Reporting can be used to measure the effectiveness of efforts taken by suppliers. We recognise that worker interviews, in the audit context, are really the only way we get insight from workers, so we want another way to access their feedback and have an ongoing barometer of feedback.</p> <p>"Ultimately, this is all about trust – suppliers trusting that we aren't going to overreact if the outcome isn't positive and will work with them to remediate issues. We want to encourage suppliers to see the power of worker voice."</p> <p>Stephanie Velez, Sustainable Sourcing Manager</p>	<p>"Our human resource strategy is based on providing our employees with the best experience while they are working in our company. We want to keep improving workers' welfare – we thought Direct Worker Reporting was the best way to get truthful worker feedback.</p> <p>"This was such an easy and quick process – we saw 100% employee participation in the first round of calls. We received detailed analysis on positive and negative feedback, which makes it clear where we should step forward on our worker welfare. The results show us that we are on the right path and taking proper care of our employees.</p> <p>"We are glad to be member of this project and work with Sedex and &amp;Wider in collaboration! I think this is a wonderful tool to measure workers' welfare, which is really necessary for helping us to achieve our best results for our customers."</p>

## Results 100 days into Direct Working Reporting (July – October 2020)



## COVID-19 Guidance Hub

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Sedex has developed guidance drawing on the UNGPs to provide practical steps for businesses to manage the impacts on workers in their supply chains:

### 1. Guidance for all members

- The role of business in addressing COVID-19 and its impacts
- The businesses and people most vulnerable to the health and economic impacts of COVID-19
- The aim is to help members understand what supplier businesses and workers are at higher risk of negative impacts, and where their support is most likely to be needed.

### 2. Guidance for employers (buyers and suppliers)

This details standards, requirements, and responsibilities for businesses to protect their workforce from health and economic impacts of COVID-19.

- Labour standards during COVID-19 and managing impacts on your workforce
- Considerations for businesses experiencing reduced demand or increased demand for goods and services
- Sedex tools and checklists to be used in the workplace

### 3. Guidance for buyers: managing the impacts of COVID-19 in your supply chain

This details guidance on how members can work with their supply chain partners during the COVID-19 pandemic and recovery, to minimise the negative impacts on suppliers and people in their supply chains. It covers:

- Human rights risk assessment on supply chain impact
- Supporting your suppliers with good purchasing practices
- Managing audits and compliance programmes during COVID-19
- A webinar, "Supply Chain Sustainability: Resurgence Post COVID-19", in May 2020 further promoted and raised awareness of this guidance among Sedex members.

**Impact:** Through the publication of this guidance, we help members to support their suppliers, protect workers, encourage business continuity, and advance UNGC Principles even in unprecedented times.



## COVID-19 Impacts Report

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In April 2020 we conducted a survey with over 3,300 Sedex member businesses to understand the initial impacts of the COVID-19 pandemic and provide recommendations for continuing responsible business practices. The results, released in May 2020, provided insight into how buyer and supplier companies across different sectors were affected and the steps they had taken in response.

This insight supports both us and our members in responding to COVID-19. This report, combined with our Guidance Hub, helps buyer members to understand the best ways to support suppliers effectively – which in turn helps to mitigate the risks of human and labour rights abuses that are widely recognised as increased due to the global disruption.

[Read more here >](#)

### Findings included:

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**67%** of respondents expect decreases in revenue as a result of COVID-19, with 34% of members stating this will be significant or critical

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**99%** of respondents are taking actions to protect the health and safety of their workforce during the pandemic

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The **garment and footwear sector and construction** sectors are being hit the hardest economically.

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**Most common challenge is supply chain disruption** and inability to get input or raw materials, felt by 43% of businesses. 20% of businesses have had orders cancelled by customers and 4% have experienced delayed payment terms.

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**56% of suppliers state that their customers are taking supportive actions** - particularly in services such as cleaning and transport and logistics

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**37% of respondents have too many workers employed** with less work and have needed to take actions to lay off workers, reduce hours or furlough their workforce.



# Activities and impact: supporting everyday efforts



## Other tools, guidance and insight

- **Sedex Advance** is our online data exchange platform enabling buyers, suppliers and auditors to store, share and report on supply chain information.
- **Self-Assessment Questionnaire (SAQ)** is a set of questions that enables suppliers to complete a self-assessment of their site. A supplier will complete the questions with information about their company policies, safety standards, working conditions, and environmental, energy and waste management. The SAQ is industry specific, so it can be shared by a supplier to multiple customers
- **SMETA** is an ethical and social auditing methodology. It provides best practice guidance and ethical audit techniques, to help auditors conduct high quality audits for responsible business practice. SMETA provides a common audit report format and corrective action plan and is based on the ETI base code and local laws in the country the audit is conducted.
- **Sedex e-Learning** is an interactive online platform that gives members access to a wide range of sustainability resources and training modules. It provides flexible and easy to use educational tools and resources in one central location. This will help companies prepare for a site audit and understand their customers' needs. Sedex e-Learning was launched in 2018 to replace the Knowledge Hub.
- **Radar, our risk assessment tool**  
Earlier this year we launched Radar, a comprehensive new risk assessment tool to help businesses understand labour rights and environmental risks in their businesses and supply chains.

**Our tools are leveraged to support in streamlining requests for social and ethical data, and in supporting both procurement and sustainability teams. Read more through this case study:**

- Case study example: How DuPont Nutrition and Biosciences is streamlining data

[Read more here >](#)



## Radar

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Radar simplifies risk assessment by combining inherent country and sector risks with supplier and site information to highlight potential issues. Through interactive global visualisation and site-specific data, Radar shows the known risks at suppliers' sites and additional issues that are likely to exist because of their prevalence in a sector, country or region.

By placing vulnerable workers at the centre of risk assessment, Radar helps companies pay particular attention to how risks might impact these individuals, and to implement effective due diligence and improvement plans with their needs in mind.

**Impact: Through accessing this tool, we enable our members to build resilient supply chains and assess their supply chains more effectively with insight into the inherent risks their supply chains are at highest risk of. This allows members to prioritise assessment and remediation activity, working effectively to meet the UNGC Principles.**

## Sedex Analytics

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In 2019, we launched Sedex Analytics, our supply chain reporting tool, designed to help businesses understand common findings in their supply chains and work with suppliers to implement improvements.

Buyers can view common findings from their supply chain readily, such as non-compliances. The worker analysis feature provides visibility of workers in a buyer's supply chain, providing gender breakdown and worker type data, for example, agency workers and contractors.

Supplier members can benefit from visibility across their total business, including reports relating to all their sites and reports on modular SAQs assigned to suppliers by their customers (buyers).

**Impact: Through the use of this tool, through its interactive maps, powerful dashboards, data and reports, we provide pertinent information for members to analyse specific areas of supply chain risk and assessment in their businesses and supply chains, in line with the overall UNGC principles.**

## Sedex e-Learning

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Training is a core activity in supporting our members in making the most of our tools to better manage their responsible sourcing programmes and supply chains overall. For this purpose, we continue to develop the training and resources available on our e-Learning platform, which includes training modules that cover both our tools, our platform and corporate responsibility issues. For example, in the last 6 months of 2020, we supported product launches with 47 webinars, reaching nearly 1,000 attendees.

**Impact: Our e-Learning hub helps to embed responsible business practices through training and awareness raising of relevant corporate sustainability issues, including around human rights, labour rights and the environment.**

## Launch of our Audit Quality Programme (AQP)

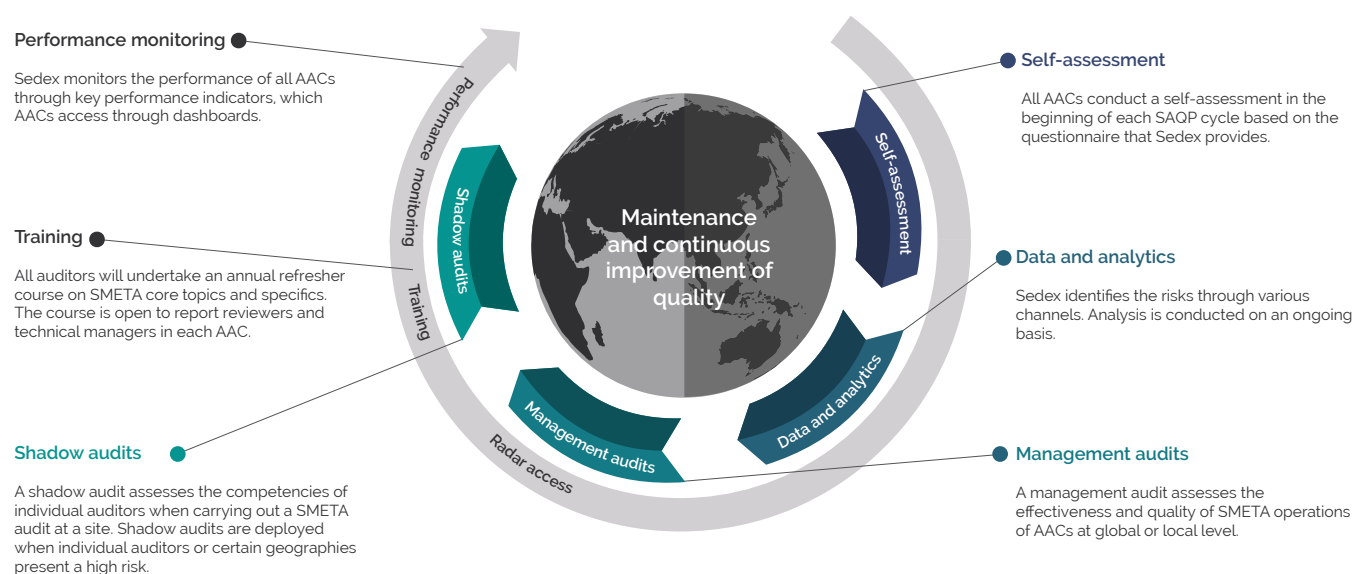
In 2020 Sedex launched an **Audit Quality Programme**. The programme is designed to improve the quality of SMETA audits and the data they collect, improve the detection and reporting of onsite issues, and ensure consistency of auditing techniques amongst Sedex's Affiliate Audit Companies.

From January 2021, Sedex will require all Affiliate Audit Companies to be full members of APSCA, the professional body for the social audit industry.

Sedex sits on the Stakeholder Board of APSCA to help develop recommendations that support the social audit industry, drive improvements and encourage best practice.

**Impact:** This programme demonstrates our commitment to drive quality audits, robust data collection and insightful analysis to create supply chain transparency, improve working conditions, and advance the UNGC Principles.

### Annual cycle of quality activities



## Offline Audit Tool

This tool improves the audit process by making it easier for auditors to capture and upload audit data even when in an area without internet connection. This reduces the risk of data loss and allows all audit data to integrate seamlessly into Sedex Analytics for analysis.

**Impact:** This tool supports businesses to meet the UNGC Principles by increasing human rights due diligence efforts and simplifying the process even in remote or poorly connected areas, further expanding the scope of data capture and analysis related to the four pillars of the UNGC Principles.



# Global and regional reach



## Events: educating, increasing engagement and raising awareness

**In addition to the growth of our membership encouraging support directly and indirectly for the UNGC, Sedex attracts new participants through our outreach efforts and awareness raising during Sedex events, and training on specific topics relevant to corporate sustainability.**

In the past two years, Sedex has held many large conferences and several smaller outreach events throughout the world. These events provide a platform for members, NGOs, government representatives and companies to gather and share in more detail about the principles of responsible sourcing and discuss innovative ways to improve ethical standards.

Directly and indirectly this has provided a platform to highlight the UNGC 10 Principles and share Sedex's commitment to these.

Sedex has also provided exposure, outreach and support for the Global Compact through our presence at external events. From 2018-2020 Sedex employees were asked to represent and speak at the following industry events alongside leading multinationals, suppliers, trade bodies, NGOs and other experts. These events covered topics relevant to the UNGC and to raise awareness of the 10 Principles.





March 2019

Sedex London Conference 2019

**Impact:** The Sedex Conference is the UK's largest responsible sourcing conference. 2019 saw over 700 business leaders, CEOs, practitioners, and government representatives in attendance, educating and raising awareness around these corporate responsibility topics, many of which are found in the UNGC Principles.

Sessions included:

- Making the Sustainable Development Goals business goals, Dutjahn Sandalwood Oils
- Addressing forced labour and responsible recruitment, panel discussion
- How to drive transformational change in responsible sourcing, panel discussion
- Improving gender data quality and management as a key step for achieving gender equality, panel discussion
- Using tools to achieve progress in responsible sourcing, panel discussion
- Trust and transparency - what can be learned by whistleblowing, Whispli
- How investment can drive action in responsible sourcing, ShareAction
- Using buyer and supplier collaboration to understand worker voice and drive business benefits, panel discussion.

[Read more here >](#)



April 2019

## Annual Sedex Awards

**Impact:** The Awards highlight the important and sustainable work Sedex members are carrying out all over the world across a range of industries to improve working conditions and the environment in supply chains, commensurate with the UNGC 10 Principles.

Each programme nominated in the award submissions was evaluated based on the level of innovation, scale of impact and implementation, the possibility of replication and transparency of communication and leadership. Winners demonstrated clear achievements and commitment in these areas.

Award categories included:

- Best Collaborative Effort
- Best Health & Safety/Labour Programme
- Best Environmental Sustainability Programme.

[Read more here >](#)



June 2019

## Sedex Latin America Conference 2019

**Impact:** The Sedex Conference in Mexico was our Latin America event, focusing on helping businesses and Sedex members learn about becoming a more responsible business. The one-day event enabled business to meet face-to-face, share ideas and learn about the issues that impact businesses and responsible sourcing issues in the supply chain, commensurate with the UNGC Principles.

This conference, titled "The Importance of Being a Responsible Business", aimed to inspire members to be leaders in responsible sourcing and overcome industry challenges in Latin America.

[Read more here >](#)

May 2019

## Sedex China Conference

**Impact:** Over 300 guests from 20 industries attended the conference. Twenty speakers from brands, suppliers, government agencies and stakeholders gathered to share best practice on "Driving Transformational Change to Go Beyond Compliance", the key theme of the conference. This raised awareness with and educated the attendees on topics related to the UNGC Principles.

Topics included:

- Marking the 100th anniversary of the ILO, and the new strategic thinking for the new era on how to achieve "decent work and economic growth" (UN SDG 8)
- Putting into practice the SDG 12 on responsible consumption and production
- Focusing onto the environmental legislation and climate targets
- Preventing potential risks in the supply chain
- Addressing beyond compliance
- Highlighting the development of corporate social responsibility in China.





**November 2019**

**Sedex South-East Asia Conference 2019 - Bangkok, Thailand**

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**Impact:** Nearly 100 representatives from the field of sustainable development were in attendance to meet leaders in the industry, alongside a rich speaker line-up consisting of government, NGOs, local and global brands, suppliers and other stakeholders. The sessions focused on 10 highlights of responsible business in South-east Asia, as well as on topical and complex issues in the supply chain in the region, with the aim of finding solutions to common challenges.

This event brought stakeholders together to discuss "The Importance of Being a Responsible Business". South-east Asian markets face unprecedented opportunities and challenges, and our members are addressing the complexities of labour rights, migrant labour, environmental pollution and audit.

The aim was to motivate companies to become leaders in ethical purchasing and overcome these risks and challenges. At the conference, buyers and suppliers shared their supply chain practices, with in-depth panel discussions on areas of corporate social responsibility.

**November 2019**

**Workshop: Responsible Business and International Labour Standards Implementation in Practice (International Labour Organization and Sedex)**

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**Impact:** Through this workshop alongside our South-east Asia regional conference, we supported raising further awareness on topics related to the UNGC Principles.

We hosted a workshop with the ILO to discuss topics related to labour rights and decent work practice in the supply chain, which was also a great opportunity to educate businesses on how to put the ILO Code of Practice into implementation. The theme of the workshop was "Responsible Business and International Labour Standards Implementation in Practice", and covered questions and topics such as:

- Why responsible business is important for all of us
- Business and child labour
- Business and forced labour.

June 2020

## Sedex speaks at UN Forum on Responsible Business and Human Rights

**Impact:** With a focus on gender, Sedex's participation in this event directly supports Principle 6 of the UNGC Labour pillar on the elimination of discrimination in relation to employment and occupation.

In June 2020, Sedex participated in the United Nations Virtual Forum on Responsible Business and Human Rights, and Sedex CEO Simon McCalla and Director of Responsible Sourcing Magali Martowicz were invited to speak on panels during the event.

The Forum saw several UN bodies, industry experts, government representatives and business leaders join forces to continue the responsible business and human rights discourse in Asia and the Pacific. Simon McCalla joined a panel discussing the role of data in creating transparent supply chains that support decent work and gender equality.



September 2020

## Sedex speaks at Confederation of Indian Industry Sustainability Summit and launches joint report on "Integrating Sustainability in Indian Supply Chains"

**Impact:** This event and report educate and support our members on addressing corporate responsibility issues and meeting the UNGC Principles.

As India's role in the global value chain increases, Indian companies are showing increased interest in responsible practices across their supply chains. This educational conference and the supporting report, produced with the Confederation of Indian Industry, were aimed specifically at Indian businesses beginning to negotiate responsible business principles.

The report demonstrates, through concrete evidence, the macro and micro-level challenges faced by Indian businesses in their pursuit to make supply chains responsible and sustainable. It examines key sustainability risks in India, including informal working contracts, health and safety, wages and forced labour, to educate Indian businesses in these risks and how to mitigate them. This supports Indian businesses to begin aligning their practices to meet the UNGC Principles, in pursuit of more responsible and sustainable industry.

[Access the report here >](#)

October 2020

## Sedex Virtual Asia Pacific Conference 2020

**Impact:** The first Sedex Virtual Asia Pacific Conference took place with over 1,000 attendees from businesses, NGOs and stakeholder organisations, sharing ideas and learning about the issues that matter most to responsible businesses. This helped raise awareness of the UNGC Principles and address specific corporate responsibility topics within the region.

Sessions included:

- Why does responsible business matter?
- Responsible business in the supply chain
- The Australian Modern Slavery Act
- Effective buyer-supplier collaboration in an age of COVID
- Business and human rights in Asia.



## Increasing regional presence to advance the UNGC Principles

### India office

In addition to our Australia, China, UK, Japan and Chile offices, we are pleased to have opened our India office in August 2019 to better support regional needs. Sedex opened an office in Gurugram, India with a team that can support Sedex members in the Indian subcontinent with supplier onboarding and engagement, using Sedex tools.

Sedex has seen strong growth in the focus on corporate social responsibility and responsible business practices in India, in the past three years.

India is the second-highest country (after China) for uploading SMETA audits, with nearly 3,000 audits from India uploaded to the Sedex platform in 2018.

**Impact:** By opening a regional office to offer greater support to local members and grow Sedex membership in the region, we increase support for the UNGC Principles in the Indian subcontinent.



# Looking ahead



## Impacts on stakeholders

Sedex is committed to working with stakeholders with mutual aims to meet the UNGC principles at global and regional levels

### Stakeholder groups

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- **Workers in supply chains** – Ultimately, everything Sedex does has to impact the lives of workers in global supply chains for the better. We regularly engage the UN, ETI and other advisory groups to ensure everything we are producing has the best possible outcome for workers.
- **Members and customers** – Without our members and customers, we wouldn't be able to drive positive change. All of our tools and services are designed to empower our members and customers to make positive changes in supply chains. Members and customers have a direct line to Sedex through a range of channels – account managers, our Member Service Team, Sedex events, and even piloting new tools and services.
- **Governments** – Sedex has begun engaging the British Government, promoting the importance of responsible sourcing. We are keen that responsible sourcing continues to improve in the UK post-Brexit.
- **Sedex staff** – Our staff are our business, and without them we wouldn't exist. Staff development and retention is an integral part of our 2025 strategy, and we want to build on the best of our culture over the next five years. We have improved global and interdepartmental communication this year by implementing technology solutions, holding weekly global calls to give us a platform to connect on a regular basis.

## Focus on gender

With 75% of women in developing regions being in the informal economy, where they are less likely to have employment contracts and legal rights, in 2019 Sedex established a Gender Working Group to address the need for gender data in supply chains. We have established additional data collection points for female workers in Sedex assessment tools, alongside a Vulnerable Worker Analysis report focused specifically on women and this report was released later in the year.

We've now launched a Gender Data Report, as part of Sedex's aims to address the lack of data on women in supply chains and support members' strategies to improve situations for all workers, particularly gender equality. The report brings together gender-disaggregated data points from members' SAQs and Site Information, enabling members to view all the gender-separated data they have in a single dashboard, in order to more easily track, measure and report on progress on gender equality in their supply chains.



## Looking ahead

This year we produced our 2025 strategy, a five-year roadmap to build upon the best of what we already do, supporting Sedex to thrive and grow so we can deliver for members now and in the future.

Purposeful business is integral to our strategy, which supports our vision and mission to improve the lives of workers around the world. By 2025, Sedex aims to positively impact 150 million people working in global supply chains.

We look forward to continue to embed these UNGC Principles in our activities, and through partnerships both at global and regional level, and invite any stakeholder reading our report to contact us with the view of further advancing mutual aims by 2025

### Our strategy

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- Provide businesses with the best ethical supply chain assessment and improvement tools and services
- Provide an industry-leading platform, suite of products, services and consulting
- Continue to increase scale to ethical supply chains through community collaboration and good business
- Provide leadership and global insights in ethical supply chain best practice and knowledge
- Through measurement, demonstrate that we are delivering on our vision and mission.





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