

Responsible sourcing

# Sedex SMETA

The world's most widely used social audit

LRQA

Datasheet

## The Sedex Members Ethical Trade Audit (SMETA) is an audit that can help you understand standards of labour, health and safety, environmental performance and ethics within your business and supply chain.

Developed by Sedex, a global membership organisation, SMETA audits are designed to help protect workers from unsafe conditions, being overworked, discrimination, low pay and forced labour.

The ETI Base Code underpins the SMETA methodology, providing a globally recognised set of labour standards developed by the Ethical Trading Initiative (ETI). It ensures businesses measure

and improve working conditions across their supply chains in alignment with International Labour Organisation (ILO) Conventions and local laws.

The latest version, **SMETA 7.0**, introduces new features and tools to meet the growing demands for transparency, accountability, and sustainability.

Conducting over 25,000 social and environmental audits per year, LRQA has been a member of the Sedex Associate Auditor Group for more than twelve years. LRQA has been awarded the Sedex Responsible Business award – the only audit firm to receive the honour, and the only company to have received the award twice.



## Why choose a SMETA audit?

- **Full transparency**  
across the supply chain
- **Identify and prioritise the risks**  
within your supply chain against legal and ethical requirements, that may not be obvious
- **Drives improved performance**  
A Corrective Action Plan helps to resolve risks and improve overall supplier performance
- **Comply with legislation**  
Enable compliance with existing upcoming legislation.



# Key Changes in SMETA 7.0

## Mandatory by January 2025, Sedex updated the SMETA audit methodology in SMETA 7.0.

SMETA 7.0 introduces several key updates designed to improve the audit process and align more closely with the latest industry standards for ethical trade. These changes enhance transparency, drive more effective collaboration between stakeholders, and strengthen the focus on sustainability and compliance. Here are the key changes made:

### **Management Systems Assessment (MSA):**

SMETA 7.0 introduces a Management Systems Assessment, which provides a comprehensive review of a site's policies and procedures to prevent non-compliance. This new feature helps assess the maturity of a site's management system and its ability to prevent risks from escalating.

### **Collaborative Action Required (CAR):**

A new Collaborative Action Required category encourages stakeholders to work together to resolve more complex issues that require collective long-term efforts. These issues typically require input and action from buyers, suppliers, and other stakeholders.

### **Enhanced environmental and business ethics focus:**

The updated 4-pillar audit includes more detailed assessments of environmental practices and business ethics. This change reflects the growing emphasis on sustainability and responsible business conduct.

### **Digital integration:**

SMETA 7.0 integrates more digital tools, improving the speed and transparency of data collection and reporting, making it easier to adapt to changes in compliance requirements.

### **Comprehensive auditor training:**

To ensure the quality and consistency of audits, SMETA 7.0 mandates extensive auditor training. This includes updated modules through the Sedex Auditor Academy and live training sessions, ensuring that all auditors are equipped to handle the new requirements. This helps standardise the audit process and maintain high levels of assurance.



# 2-pillar or 4-pillar audit?

## SMETA 2-pillar audit:

1. Labour standards
2. Health and Safety

The mandatory pillars of any SMETA audit are the labour standards and health and safety modules. Management systems, entitlement to work, subcontracting and homeworking and a shortened environmental assessment are looked at as additional elements.

## SMETA 4-pillar audit:

This is a full SMETA audit and includes the same modules as a 2-pillar audit with the addition of:

3. Environmental assessment (*extended*)
4. Business Ethics

## → Why choose a 2-pillar audit?

The 2-pillar audit is a great start to your auditing journey and can help overcome challenges within your supply chain.

## → Why choose a 4-pillar audit?

The 4-pillar audit is suitable for those that have extensive environmental management requirements as well as want to look at business practices within their supply chain.



# What is the process of a SMETA audit?

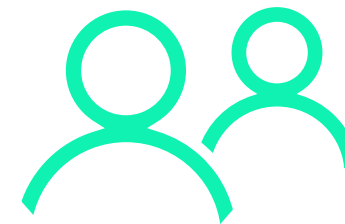
## Audit preparation

- **Opening meeting** – with management taking place on-site. Details of the audit and the procedure, define any requirements.
- **Pre-audit questionnaire**
- **Audit documents** – Prior to the audit, pre-prepare. E.g. – licences, contracts etc.



## Audit

- **Site tour** – auditors conduct a site tour observing conditions against the requirements of the standard.
- **Interviews** – Auditors can conduct private interviews with all employees involved in on-site practices.
- **Review documents** – all documents supplied will be reviewed to ensure compliance.



## Completion

- **Closing meeting** – management will be informed of the audit findings and sign a **Corrective Actions Plan Report**.
- **Full audit report** - submitted via Sedex Platform and via e-mail in 5 business days after audit completion.



## Frequently asked questions

### What is the difference between SMETA and Sedex?

The Supplier Ethical Data Exchange (Sedex) is a global membership organisation aiming to manage and improve working conditions in global supply chains. The Sedex Members Ethical Trade Audit (SMETA) is the audit methodology designed to help protect workers from unsafe conditions, overwork, discrimination, low pay, and forced labour.

### Do I have to be Sedex member to share my SMETA audit with clients?

Yes, only members are permitted to have a full SMETA audit or follow-up.

### Why is the Collaborative Action Required (CAR) category important?

The CAR category promotes collaboration between multiple stakeholders to address complex issues that require long-term, collective action. It ensures that serious compliance risks, such as labour or environmental concerns, are resolved through shared responsibility and ongoing cooperation.

### How does the Management Systems Assessment (MSA) in SMETA 7.0 enhance audits?

The MSA in SMETA 7.0 evaluates the effectiveness of a site's management systems, helping to identify risks before they become non-compliance issues. This proactive assessment strengthens overall governance and improves risk management.

### My clients have requested a SMETA audit, what do I do next?

Get in touch **with our technical** experts, who will guide you through the process.

# Why choose LRQA?



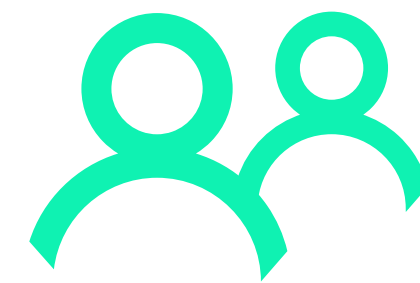
## On-the-ground expertise

We have over 800 ESG industry experts across the globe, working with clients to drive strategic transformation throughout their supply chains, to meet regulatory requirements and deliver against their business objectives.



## Continuous assurance

Our connected portfolio of solutions enables you to go beyond regulatory obligations and take a complete approach to end-to-end, continuous management of risks across your supply chain.



## Solution-based partnerships

Through our solutions-based approach, we can take you beyond compliance and enable you to drive sustainable growth, through responsible sourcing.



## Data-driven decision making

We invest in digital platforms that give you deep insight into your operations. Our human intelligence is enhanced by extensive analytics capabilities which can be applied to address current and future risks within your operations and supply chain.

Contact us to find out how LRQA can help you with your responsible sourcing needs →

The  
right  
way

### About LRQA:

LRQA is the leading global assurance partner, bringing together decades of unrivalled expertise in assessment, advisory, inspection and cybersecurity services.

Our solutions-based partnerships are supported by data-driven insights that help our clients solve their biggest business challenges. Operating in more than 150 countries with a team of more than 5,000 people, LRQA's award-winning compliance, supply chain, cybersecurity and ESG specialists help more than 61,000 clients across almost every sector to anticipate, mitigate and manage risk wherever they operate.

In everything we do, we are committed to shaping a better future for our people, our clients, our communities and our planet.

### Get in touch

Visit [www.lrqa.com/uk](http://www.lrqa.com/uk) for more information, email [enquiries.uk@lrqa.com](mailto:enquiries.uk@lrqa.com) or call **+44 (0)1221 817 4000**

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