

Scope of a SMETA Audit

This outlines the areas which are covered by a SMETA audit and the differences between a 2-Pillar and a 4-Pillar SMETA audit.

Ethical Trade/social audits are commissioned all over the world to various standards.

Sedex Members Ethical Trade Audit (SMETA) is not an attempt to re-invent ethical trade auditing, and it should not be viewed as a new methodology for social audits, but rather it is an attempt to create the best of current practice.

The benefits of a SMETA audit is that it is widely accepted by many customers, both Sedex and non-Sedex members. By making it available publicly, Sedex and its members hope to encourage convergence to one methodology thus reducing the audit burden at a site of employment.

For audit information to be shared it is essential that the standards are clearly understood by all parties and Sedex members have chosen the Ethical Trading Initiative (ETI) base code as the most relevant standard. The ETI base code is based on International Labour Organisation (ILO) conventions and in many countries local and national laws are in line with the ILO standards.

For this reason SMETA uses both the law of the land and the ETI Code and the audit will monitor findings against both requirements. Clauses 1 to 9 of the code (listed below), are together termed Labour Standards and Health & Safety on the Sedex system, and this type of audit is known as a SMETA 2-Pillar audit.

<u>SMETA 2-Pillar Audits</u> will specifically check a site plus any accommodation provided against the following areas:

- 1. Employment is Freely Chosen
- 2. Freedom of Association and Right to Collective Bargaining are Respected
- 3. Working Conditions are Safe and Hygienic
- 4. Child Labour Shall Not Be Used
- 5. Living Wages are Paid
- 6. Working Hours are Not Excessive
- 7. No Discrimination is Practised
- 8. Regular Employment is Provided
- 9. No Harsh or Inhumane Treatment is Allowed

Extra detailed Modules for SMETA 2-Pillar audit are as follows, and these are compulsory:

- Entitlement to work
- Code and system implementation
- Subcontracting and Home-working
- Environment



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Recently SMETA has been extended to include 2 further optional pillars covering

- Environment (extended version)
- Business practices

Where a SMETA audit specifically includes these 2 extra topics it is known as a <u>4-Pillar SMETA</u> <u>audit</u>. Since extra auditing time is required to complete a 4-Pillar audit it is essential to establish with your customers whether you are required to commission a 2-Pillar or a 4-Pillar SMETA audit.

Please Note: Where a 4-Pillar audit is carried out this must be stated under 'SMETA Declaration' on the SMETA audit report.