

SMETA Corrective Action Plan Report (CAPR)

Version 7



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Audit content

(1) A SMETA audit was conducted which included some or all of labour standards, health and safety, environment and business ethics. The SMETA minimum requirements were applied and the SMETA auditor manual was followed. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA methodology are stated (with reasons for deviation) in the SMETA declaration.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the code areas below.

2-pillar audits include:

- Labour standards:
 - 0. Enabling accurate assessment
 - 1. Employment is freely chosen
 - 1.A. Responsible recruitment and entitlement to work
 - 2. Freedom of association and right to collective bargaining are respected
 - 4. Child labour shall not be used
 - 5. Legal wages are paid
 - 5.A. Living wages are paid
 - 6. Working hours are not excessive
 - 7. No discrimination is practiced
 - 8. Regular employment is provided
 - 8.A. Sub-contracting and homeworkers are used responsibly
 - 9. No harsh or inhumane treatment is allowed
- Health and safety:
 - 3. Working conditions are safe and hygienic
- Environment:
 - 10.A. Environment 2-pillar

4-pillar audits include, in addition to the above:

- Environment:
 - 10.B. Environment 4-pillar
- Business ethics:
 - 10.C. Business ethics

(2) Where appropriate, non-compliances or non-conformances were raised where either local law or the base code were not met, and recorded as non-compliances on both the audit report, CAPR and on the Sedex Platform.

(3) Any non-conformance against customer code shall not be uploaded to Sedex, but sent directly to the customer in question.

Audit details

Site details

Sedex site reference	ZS1024322	Site name	Ankur Exports
Business name	ANKUR EXPORTS	Site address	Plot No., 17 - D< Sector - 53, Phase - V, Hsiidc Industrial Estate, Kundli Sonipat IN 131028

Audit details

Sedex company reference	ZC1067893	Auditor company name	SGS ASIA
Audit company address	226, Udyog Vihar, Phase 1, Gurgaon, IN, 122015		
Date of audit	2025-11-29	Audit conducted by	Sandeep Chhabra
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		
Time in and out	Day 1		
	In	09:00	
	Out	19:00	
Audit type	Periodic		
Was the audit announced?	Semi announced		

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Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? Mr. Gulshan Kumar / Factory Manager

Any conflicting information SAQ/Pre-Audit Info No

Is further information available? No

Audit attendance

	Senior management	Worker representative	Union representative
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	No	No
C: Present at the closing meeting?	Yes	No	No
Reason for absence at the opening meeting	Senior Management and Workers Representative were available in the opening meeting. No Union at site and not applicable by law.		
Reason for absence during the audit	No Union at site and not applicable by law.		
Reason for absence at the closing meeting	No Union at site and not applicable by law.		

SMETA declaration

Auditor team

SMETA declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual.

1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform.
2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)

1. The audit was conducted with in window period from 29/11/2025 till 29/12/2025.
2. The audit was conducted by 2 auditors in 1 day..

Lead auditor

Sandeep Chhabra

APSCA Number

32201017

Additional auditor

Ashwin Iyer

APSCA Number

32200633

Date of declaration

2025-11-29

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Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Mr. Gulshan Kumar
Title	Factory Manager
Date of declaration	2025-11-29

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.K Ensure that all premises are safe and hav...	Local law Base code	NC ZAF601248469
	3.K Ensure that all premises are safe and hav...	Local law Base code	NC ZAF601248470
	3.K Ensure that all premises are safe and hav...	Local law Base code	NC ZAF601248473
	3.L Implement effective processes to manage f...	Local law Base code	NC ZAF601248472
	3.L Implement effective processes to manage f...	Local law Base code	NC ZAF601248476
	3.L Implement effective processes to manage f...	Base code	NC ZAF601248477
	3.N Ensure that all hazardous substances (e.g...	Base code	NC ZAF601248471
	3.R Provide clean and secure toilets, wash ar...	Local law Base code	NC ZAF601248468
	3.R Provide clean and secure toilets, wash ar...	Local law Base code	NC ZAF601248474
	3.R Provide clean and secure toilets, wash ar...	Base code	NC ZAF601248475
3.R Provide clean and secure toilets, wash ar...	Base code	NC ZAF601248478	

Findings: non-compliances

ZAF601248469

Non-compliance

Due 2026-03-30

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-03-26)*

Workplace requirement

3.K Ensure that all premises are safe and have valid safety certifications for their current layout and use. If it is currently not possible for a required license or certificate to be obtained, implement inspections by appropriate third parties to ensure building safety.

Time given to resolve

90 days

Verification method

Desktop audit

Issue title

853 - Buildings at the site are missing key legal permissions/certifications but do have third party certification assuring their safety (e.g. the site has the Construction Safety Appraisal Report, but no Building Construction Acceptance Report or House Property Certificate)

Area of non-compliance/non-conformance

Local law

Base code

Description

During the factory tour it was noted that the facility has not included the key areas. The factory has covered ground floor and 2nd floor by tin shed, in which materials and some machine were stored and at 2nd floor there was 3 separate area where workers were working.

Also it was noted that the factory has installed dust collector machine at 3rd floor which is not included in the approved layout plan.

Corrective and preventative actions

It is recommended that the facility should include all the areas in the building layout plan.

Local law reference

In accordance with The Punjab Factory Rules, 1952 As Applicable In The State Of Haryana, Rule 3, no building shall be constructed on any site on which a factory is to be situated or for the extension or use as a factory or a part of factory after the date of the commencement of these rules, unless previous permission in writing is obtained from the Chief Inspector of Factories.

Evidence

[IMG_20251129_110240.jpg](#)

[IMG_20251129_110229.jpg](#)

[IMG_20251129_103955.jpg](#)

[← Findings](#)

[Management systems →](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248470

Non-compliance

Due 2026-02-28

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.K Ensure that all premises are safe and have valid safety certifications for their current layout and use. If it is currently not possible for a required license or certificate to be obtained, implement inspections by appropriate third parties to ensure building safety.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

261 - Premises require minor repairs that may affect personal safety (e.g. missing handrails)

Area of non-compliance/non-conformance

Local law

Description

During the factory to it was noted that the facility have multiple seepage & peel off at front side of the building and at first floor staircase.

Base code

Corrective and preventative actions

It is recommended that facility should do whitewash in such areas.

Local law reference

In accordance with the Factories Act 1948, Chapter 4, Section 32, Floors, stairs and means of access.- In every factory- (a) all floors, steps, stairs, passages and gangways shall be of sound construction and properly maintained 5[and shall be kept free from obstructions and substances likely to cause persons to slip],and where it is necessary to ensure safety, steps, stairs, passages and gangways shall be provided with substantial hand-rails;

Evidence

[IMG_20251129_105055.jpg](#)

[IMG_20251129_102053.jpg](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248473

Non-compliance

Due 2026-01-29

[← Findings](#)

[Management systems →](#)

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.K Ensure that all premises are safe and have valid safety certifications for their current layout and use. If it is currently not possible for a required license or certificate to be obtained, implement inspections by appropriate third parties to ensure building safety.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

249 - Structural irregularities observed that should be evaluated by an expert to determine structural integrity

Area of non-compliance/non-conformance

Local law

Base code

Description

During the factory tour it was noted that multiple cracks in the building were found. 1 major crack was at first floor balcony area, although workers moments in first floor balcony area was restricted.

one minor crack was found at ground floor staircase, which was leading to the first-floor staircase area, for the time being it is not threatening to the workers.

Corrective and preventative actions

It is recommended that facility should repair the building structure.

Local law reference

In accordance with Factories Act 1948, Section 7A (1) every occupier shall ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. (2) Without prejudice to the generality of the provisions of sub-section (1), the matters to which such duty extends, shall include-

- (a) the provision and maintenance of plant and systems of work in the factory that are safe and without risks to health,
- (b) the arrangements in the factory for ensuring safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances,
- (c) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work.

Evidence

[Minor crack at first floor staircase.jpg](#)

[Major crack at FF balcony.jpg](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248472

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

203 - Fire exits are not adequate, causing an elevated risk to life

Area of non-compliance/non-conformance

Local law

Description

During the factory to tour it was noted that the 1 out of 1 emergency exit door was opening inward at ground floor.

Base code

Corrective and preventative actions

It is recommended that facility ensure all door should open outward.

Local law reference

In accordance with THE HARYANA FACTORIES RULES, 1952, (9)(u) Exit doorways shall open outwards, that is, away from the room but shall not obstruct the travel along any exit. No door when opened, shall reduce the required width of a stairway or landing to less than 90 cm. Overhead or sliding doors shall not be installed for this purpose.

Evidence

[IMG_20251129_103726.jpg](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248476

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

[← Findings](#)

[Management systems →](#)

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Time given to resolve

30 days

Issue title

214 - No evacuation plan or designated emergency exit route

Verification method

Desktop audit

Description

During the factory tour it was noted that the facility has not posted the evacuation plan at 2nd floor (polishing department).

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

It recommended facility to post evacuation plan at 2nd floor polishing department.

Local law reference

In accordance with Factories Act 1948, Section 32 (b) there shall, so far as is reasonably practicable, be provided and maintained safe means of escape to every place at which any persons is at any time required to work.

Section 38 (2) Effective measures shall be taken to ensure that in every factory, all the employees are familiar with means of escape in case of fire and have been adequately trained in the routine to be followed in such case.

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248477

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

195 - Emergency notification system (e.g. fire alarm) is not set up to notify all workers at the site, including on multiple floors

Area of non-compliance/non-conformance

Base code

Description

During the factory tour it was noted that the facility has not installed visual fire alarm.

Corrective and preventative actions

It is recommended that the facility should install visual fire alarm.

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248471

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.N Ensure that all hazardous substances (e.g. chemicals and pesticides) are officially registered where possible, Material Safety Data Sheets are used, and they are managed appropriately at all times in line with registration and safety instructions, including storage, use and disposal.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

240 - No/inadequate safety measures/anti-explosion measures for chemicals (e.g. no anti-leaking system/secondary container/unbunded)

Area of non-compliance/non-conformance

Base code

Description

During the factory tour it was noted that the secondary container of machine oil stored at ground floor near pressing machine department was inadequate.

Corrective and preventative actions

It is recommended that the facility should store machine oils in adequate secondary containers.

Evidence

[← Findings](#)

[Management systems →](#)

[IMG_20251129_103122.jpg](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248468

Non-compliance

Due 2026-02-28

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

330 - Sanitary facilities are insufficient for the size of the site (e.g. the number of toilets or hand basins is insufficient for the number of workers)

Area of non-compliance/non-conformance

Local law

Base code

Description

During the factory tour it was noted that the male toilet gate was broken located at premises.

Corrective and preventative actions

It is recommended that the facility should repair the toilet gate.

Local law reference

In accordance with Factories Act. 1948 section 19 (1) In every factory (a) sufficient latrine and urinal accommodation of prescribed type shall be provided conveniently situated and easily accessible to workers at all times while they are at the factory;(b) separate enclosed accommodation shall be provided for male and female employees;(c) such accommodation shall be adequately lighted and ventilated and no latrine or urinal shall , unless specially exempted in writing by the Chief Inspector, communicate with any work room except through an intervening open space or ventilated passages;(d) all such accommodation shall be maintained in a clean and sanitary conditions at all times.(e) Sweepers shall be employed whose primary duty it would be to keep clean latrines , urinals and washing places.

Evidence

[IMG_20251129_102802.jpg](#)

[← Findings](#)

[Management systems →](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248474

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

326 - Materials/rubbish/other waste stored in unacceptable areas e.g. stairwell

Area of non-compliance/non-conformance

Local law

Description

During the factory tour it was noted that the factory has stored combustible material under both basement staircase area.

Base code

Corrective and preventative actions

It is recommended that the factory should not store combustible materials under the staircase.

Local law reference

In accordance with Factories Act 1948, Section 7A (1) every occupier shall ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. (2) Without prejudice to the generality of the provisions of sub-section (1), the matters to which such duty extends, shall include-

- (a) the provision and maintenance of plant and systems of work in the factory that are safe and without risks to health,
- (b) the arrangements in the factory for ensuring safety and absence of risks to health in connection with the use, handing, storage and transport of articles and substances,
- (c) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work.

Evidence

[material stored under staircase.jpg](#)

[goods stored under staircase.jpg](#)

[← Findings](#)

[Management systems →](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248475

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

329 - Sanitary facilities (e.g. toilets, hand basins) are unhygienic/not clean

Area of non-compliance/non-conformance

Base code

Description

During the factory tour it was noted that the factory has not provided the soap at ground floor & first floor toilet.

Corrective and preventative actions

It is recommended that the facility should provide the soaps.

Evidence

[Missing soap.jpg](#)

[missing soap \(2\).jpg](#)

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601248478

Non-compliance

Due 2026-01-29

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-02-13)*

[← Findings](#)

[Management systems →](#)

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

341 - Workstations and work areas are untidy, creating a risk of injury

Area of non-compliance/non-conformance

Base code

Description

During the factory tour it was noted that the metal scrap was all over the machine at ground floor cutting department.

Corrective and preventative actions

It is recommended that the facility should arrange some method to organise metal scrap.

* PDF generated at 07:21 (UTC) on 26 Mar 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

Management systems

	Policies and procedures	Resources	Communication and training	Monitoring
1. Employment is freely chosen				
1.A. Responsible recruitment and entitlement to work				
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. Legal wages are paid				
6. Working hours are not excessive				
7. No discrimination is practiced				
8. Regular employment is provided				

Not addressed

















Fundamental improvements required


Some improvements recommended


Robust management systems


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	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly				
9. No harsh or inhumane treatment is allowed				
10.A. Environment 2-Pillar				
10.C. Business ethics				

 Not addressed

 Fundamental improvements required

 Some improvements recommended

 Robust management systems

Guidance

The Corrective Action Plan Report (CAPR) summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI base code, local laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances/ non-conformances.

Good practice examples should be pointed out at the closing meeting as well as discussing non-compliances/ non-conformances (NCs) and corrective actions, Collaborative Action Required (CAR) findings and the Management Systems Assessment (MSA).

Next steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, NCs, CARs, MSA and good examples. If you have not already received instructions on how to do this then please visit the [Sedex members' e-learning platform](#).
2. Sites shall action its NCs and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request that the audit body verify its actions. Please visit [Sedex members' e-learning platform](#) for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a desktop review process via the Sedex platform or by follow-up audit.
5. Some NCs that cannot be closed off by desktop review may need to be closed off via a follow-up audit charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that NC. Any follow-up audit must take place within twelve months of the previous initial/periodic audit and the information from the previous audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).
7. The site shall develop and share with Sedex an action plan to work on CAR findings, and take actions to work on these areas as identified.
8. The site should use the MSA gradings to help to improve internal systems, focusing where their systems are weakest and the risks of harm are highest. These actions should better prepare them for future audits and help sustain compliance.

[← Management systems](#)

Management Systems Assessment (MSA)

A management system is defined as a comprehensive framework comprising of processes, policies, procedures, and tools that are strategically designed and implemented within a business to plan, organise, execute, monitor, and continuously improve its activities. Management systems are the systems that underpin how a company runs its day-to-day operations, makes decisions, and helps avoid the recurrence of common problems.

Where management systems are weak a site is at higher risk of non-compliance over time, the SMETA MSA can help sites to proactively reduce the likelihood of risks occurring. Sites should take actions commensurate with their size and resources, focusing on where their systems are weakest and the likelihood of risks is highest, based on their sector, location and workforce profile.

The MSA Grades do not result in NCs, and will not be re-assessed in follow-up audits.

For more information on management systems please refer to the Management Systems workbooks.

Collaborative Action Required

The SMETA Workplace Requirements identify certain specific issues where a site may not meet the base code, but the usual mechanisms of NC verification and closure are not appropriate, for some or all of the following reasons;

- The audited party does not have the capacity/ responsibility to close the issue without support from other relevant stakeholders, such as commercial partners/buyers.
- Remediation of the issue requires an indeterminate and possibly extended timeframe, rather than a predetermined deadline as set within the Sedex platform.
- There is a risk of adverse consequences if closure of a particular issue is not approached with due consideration and time provided for adequate risk assessment.
- Evidencing effective remediation is complex and it is outside the capacity of existing SMETA methodology to validate through evidence provided during an onsite assessment alone.

These specific WRs have a Collaborative Action Required (CAR) finding raised against them.

Collaborative Action Required findings require a different way of working from other NCs for buyer and supplier members. The activities required to close these issues may involve actions from both buyers and suppliers, as well as additional stakeholders such as third-party labour providers, impacted workers, local NGOs, and trade unions.

[← Guidance](#)

Due to the complexity of the issues and the spectrum of potential stakeholders that may need to act, CARs may need long-term closure plans, potentially spanning multiple years. To facilitate a longer-term approach and to reduce the likelihood of undue pressure on suppliers to close issues that may be out of their control, Sedex does not prescribe a closure date nor a verification methodology for these findings. Sedex encourages all its members to work collaboratively and responsibly on these issue areas, sharing responsibilities and actions as appropriate.

When developing a methodology to prioritise action on these more complex areas, Sedex recommends following a due diligence process and prioritising activities based on the most salient risks.

For Suppliers

Where CARs are raised suppliers should create an action plan for how they are going to address these areas. Sedex also recommends suppliers reach out to their buying partners to understand their expectations on these issues and start a constructive dialogue. The action plans can be uploaded on to the Sedex platform, which will change the status of the CAR finding from “open” to “in progress”. Management and assessment of action plans is encouraged as an activity between linked buyer and supplier members.

For Buyers

Where CARs are raised buyer members should prioritise resolution of these issues based on a salient risk approach. Buyers should assess their own roles and responsibilities in the closure of these findings, especially considering any increased financial costs and how these may relate to the buyers own purchasing practices. Buyers should work with suppliers to ensure that closure plans are realistic, taking a long-term approach to improvement where it is necessary, and working with multi-stakeholder initiatives, NGOs, Trade Unions and other third parties to address these issues, which may be widespread. In the interests of enabling transparency, collaboration and long-term effective remediation, the application of commercial penalty against suppliers where these issues are identified and action plans are in place is not encouraged.

For Auditors

Auditors will assess whether the CARs are met through the SMETA audit process and raise the findings where relevant. Auditors will not assess the action plans shared or provide guidance on closure methodology, due to the limitations of assessing scope and responsibilities through a supplier site assessment alone. CAR findings will be superseded and closed in periodic audits. The auditor will assess the Workplace Requirements anew and raise a CAR in following audits until there is no longer a finding to raise.



For more information visit <https://www.sedex.com>

[← Guidance](#)