



# AIM-PROGRESS



## RESPONSIBLE SOURCING SUPPLIER SEMINAR JUNE 2010

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# I'VE HAD AN AUDIT – NOW WHAT?

- Post the Audit to Sedex\* (3<sup>rd</sup> party Auditor)
- Review Audit Results with team
- Review Non-Compliances and Corrective Action recommendations with team
- Execute Corrective Action Plans – stakeholder engagement

\* Depending on customer rqmt.

*The Audit is a means to an end...not the end...  
a socially responsible supply chain is our shared goal.*



# WORKING WITH CORRECTIVE ACTION PLANS (CAPS)



- A CAP will be provided to you at the end of the audit
- The CAP outlines areas for improvement and next steps
- As a management team, you need to allocate suitable timeframes for the remediation of issues, and identify persons responsible
- The CAP issues need to be closed out on SEDEX



# WORKING WITH CAPS - 1



| SMETA CAPR, April 2007   |   | Job Ref: Kenya.SupplierName.SupplierCity.Doanis.InitialAudit.11May2008 |                                    | Date: 11 May 2008 |  |
|--|---|--|------------------------------------|-------------------|--|
| Audit Type   |   |  |                                    |                   |  |
| Commercial   | <input checked="" type="checkbox"/>                           | Purchaser  | <input type="checkbox"/>           |                   |  |
| NGO  | <input type="checkbox"/>                                      | Retailer   | <input type="checkbox"/>           |                   |  |
| Trade Union  | <input type="checkbox"/>                                      | Brandowner   | <input type="checkbox"/>           |                   |  |
|  |   | Multi-stakeholder  | <input type="checkbox"/>           |                   |  |
|  |   | CLIENT: Cadbury plc  |                                    |                   |  |
|  |   | <b>Supplier Name</b><br>Sedex Members Ethical Trade Audit              |                                    |                   |  |
| Audit Details  |   |  |                                    |                   |  |
| REPORT #:  | Kenya.SupplierName.SupplierCity.Doanis.InitialAudit.11May2008 |  |                                    |                   |  |
| Audit Date:  | 11 May 2008   |  |                                    |                   |  |
| Date of Follow-Up Audit:   |   |  |                                    |                   |  |
| Audit Type:  | Initial <input checked="" type="checkbox"/>                   | Re-Audit <input type="checkbox"/>                                      | Follow-Up <input type="checkbox"/> | .....(1,2,3...)   |  |
| Previous Audit date:   |   |  |                                    |                   |  |
| Previous Audit type:   |   | Re-Audit <input type="checkbox"/>                                      | Follow-Up <input type="checkbox"/> | .....(1,2,3...)   |  |
| <b>Date CAPR Last Updated</b>  |   |  |                                    |                   |  |
| Supplier Name:   | Supplier Name   |  |                                    |                   |  |
| Auditor Name(s):   | Isaac Maluki  |  |                                    |                   |  |
| Facility Country:  | Kenya   |  |                                    |                   |  |
| Facility Name:   | Supplier Name   |  |                                    |                   |  |
| Facility Contact:  | Mr. XXXXXXXX  |  |                                    |                   |  |
| Contact Title:   | Managing Director   |  |                                    |                   |  |
| Facility Address:  |   |  |                                    |                   |  |
| Facility Address:  |   |  |                                    |                   |  |
| Facility Phone:  |   |  |                                    |                   |  |
| Facility E-Mail:   |   |  |                                    |                   |  |
| Products Being Manufactured at Facility e.g. Garments, Electricals, Toys | Cartons   |  |                                    |                   |  |

# WORKING WITH CAPS - 2

| N/C#  | New or Carried Over  | Details                                      | Recommended Corrective Actions  | Timescale (Immediate, 30, 60, 90, 180, 365)                    | Desktop / Follow-Up                    | Note if management agree to the non-compliance, and document name of responsible person                    | Verification Evidence/Comments                           | Status (Closed/Open)                      |
|---|--|--|---|--|--|--|--|---|
| <i>The reference number of the non-compliance from the Audit Report e.g. H&amp;S No 7</i><br><b>1</b> | <i>Is this a new non-compliance identified at the follow-up or an old one that is still outstanding, and therefore "Carried Over" Type "C"</i><br><b>2</b> | <i>Details of Non-Compliance</i><br><b>3</b> | <i>Details of actions to be taken to clear non-compliance</i><br><b>4</b> | <i>Timescale (Immediate, 30, 60, 90, 180, 365)</i><br><b>5</b> | <i>Desktop / Follow-Up</i><br><b>6</b> | <i>Note if management agree to the non-compliance, and document name of responsible person</i><br><b>7</b> | <i>Details on corrective action evidence</i><br><b>8</b> | <i>Open/Closed or comment</i><br><b>9</b> |

### Guidance:

The Corrective Action Plan Report summarizes the factory audit findings and a corrective and preventative action plan that both the auditor and the factory 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 rerecord actions taken and to categorise the status of the non-compliances.

Please note that the recommended completion date should be discussed between the factory management and the auditor at the dosing meeting to agree on realistic timeframes. This date is only a guidance, and it is the responsibility of the factory to discuss exact dates or changes with their local client contact if appropriate.

### Next Steps:

1. The factory shall request via Sedex for the audit body to upload the audit report and non-compliances. If you have not already received instructions on how to do this then please visit the web site [www.sedex.org.uk](http://www.sedex.org.uk)
2. The factory shall action its non-compliances and document its progress via Sedex
3. Once the factory has effectively progressed through its actions then it shall request via Sedex for the audit body to verify its actions. Please visit [www.sedex.org.uk](http://www.sedex.org.uk) web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the factory by either "Desktop" review process via Sedex.
5. However some non-compliances that cannot be dosed off by "Desk-Top review may need to be closed off via a "1 Day Follow Up audit" charged at normal fee rates. If this is then case then the factory will be notified after it's submission of documentary evidence relating to that non-compliance.

# WORKING WITH CAPS - 3

| N/C TR | New or Carried Over | Details | Recommended Corrective Actions | *****<br>*****<br>***** | *****<br>*****<br>***** | *****<br>*****<br>***** | Verification Evidence/Comments | Status<br>(Closed/Open) |
|--------|---------------------|---------|--------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|-------------------------|
|--------|---------------------|---------|--------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|-------------------------|

|                        |     |  |  |  |  |  |  |      |
|------------------------|-----|--|--|--|--|--|--|------|
| Health and Safety<br>1 | New | Changing areas for employees maintained in poor state, some employees changing outside and no proper locker systems for employees. | Ensure that adequate changing facilities are provided for all employees. |  |  |  | According to the Factories, Offices and Shops Act of 1970 (Act 228) of the Republic of Country, Section 21 dealing with Accommodation for clothing stores. "Adequate and suitable accommodation for clothing not worn (during) working hours shall be provided and maintained at suitable places for the use of all persons employed in any factory, office or clothing shop." | Open |
|------------------------|-----|--|--|--|--|--|--|------|

*Please sign this document confirming that the above findings have been discussed with and understood by you (facility management)*

|  |                          |              |
|--|--------------------------|--------------|
| <b>Factory Representative Signature:</b>   | <b>Title:</b>            | <b>Date:</b> |
| <b>Auditor Signature</b>   |                          | <b>Date:</b> |
| <p><b>Please indicate below if you the factory management dispute any of the findings</b></p> <p><i>I dispute the following numbered non-compliances</i></p> <p>_____</p> <p><i>Signed:-----</i></p> | <b>Factory Comments:</b> |              |



# KEY FACTORS



- Ask for help.
- It's a journey...continuous improvement is valued.
- Be responsive – collaboration is key.

*Social Compliance Assessments are solution finding opportunities.*