Self-Assessment Questionnaire (SAQ) Briefing Note
What is the Self-Assessment Questionnaire?

The Sedex Self-Assessment Questionnaire (SAQ) is a set of questions for sites and suppliers in global supply chains. It provides companies with the ability to understand the on-site situation and performance in 5 key areas: The SMETA pillars of Labour, Health and Safety, Business Ethics and Environment, plus supply chain management. It does this through a simple, comprehensive set of questions, tailored to multiple business practices.

Users who complete the SAQ are asked to review their site’s workforce, site and business practices as well as some basic information on the systems they use to manage risks. This information is then used for three purposes:

1. It generates a report that is provided to the user so that they can benchmark their performance on Labour, Environment, Health and Safety and Business Ethics and identify areas for improvement.
2. It allows companies to collect information on sites and on-site performance across the 4 Sedex pillars
3. It enables companies to understand their global supply chain workforce, for example the gender, nationalities, location and contract types of workers.
4. The information is provided to customers either as an SAQ download or into the Sedex Risk Assessment Tool. This tool is designed to help those managing their supply chains or multiple sites to understand the risk at their sites and within their supply chains.

Who is the SAQ for?

The Self-Assessment Questionnaire is designed to be applicable to organisations across all sectors and countries.

The SAQ can be completed by:

- Organisations looking to identify how they are performing across the 4 Sedex pillars
- Organisations with customers that require completion of an SAQ as part of their responsible sourcing and supplier onboarding programmes

The data within the SAQ is used by:

- Buyer organisations looking to understand the site characteristics (such as buildings and worker profile) and ethical performance of their suppliers.
- Organisations with multiple sites looking to monitor site characteristics (such as buildings and worker profile) ethical performance of their own sites.
- Organisations who want to get started with their responsible business journey by benchmarking their performance against good practices, identifying areas for improvement and finding relevant training materials.
An emphasis is placed on supporting suppliers to complete the SAQ. There are options to include “I don’t know” to many questions and guidance is included both throughout the SAQ and as a standalone document. As a company improves its understanding of management systems and implements changes in their business, they can update the SAQ and these changes will be logged so that users and their customers can see change over time.

Question structure:

There are questions for 4 types of businesses; goods providers, service providers, agents and labour providers.

Each type of business is asked different questions. The below questions are the full SAQ question set. Questions asked earlier in the SAQ can trigger further questions or prevent certain questions being asked, depending on the answers provided.

The below shows the structure of the SAQ. However not all users will be asked to complete each section.

SAQ questions cover the 4 SMETA elements; Labour, Health and Safety, Environment and Business Ethics, plus an additional section on supply chain management.

The SAQ sections are structured as follows:

- About your business
- Policies and resources
- Processes
- Supply chain management
- Training and improvement
- Monitoring and data capture

This structure follows a management systems approach. These sections are included in a Management Controls Report that users can access, via Sedex Analytics, after completing the SAQ.

Each of these sections contains further topic areas of questions, summarised below.

- **About your business:**
  - Company structure: Further details about the organisation e.g. the number of sites
  - Worker nationalities and languages
  - Worker information e.g. ages and gender breakdown and shift patterns
  - Building information e.g. number of buildings and facilities available

- **Policies and Resources**
  - Policies across the 4 Sedex pillars
  - Resources e.g. staff

- **Processes**
• Certifications and standards
• Risk assessment
• Freedom of Association - presence of trade unions and/or worker committees
• Grievance mechanisms
• Employee contracts
• Recruitment costs and fees
• Use of labour providers
• Wages e.g. wages paid, payment methods and overtime premiums
• Accommodation e.g. if accommodation is provided, what type, residents and amenities
• Transport
• Environment e.g. pollution, water use, waste, energy and impact on biodiversity
• Business ethics e.g. management of business ethics

• Supply chain management
  o About your supply chain e.g. key sourcing countries
  o Supplier management e.g. number of suppliers, selection process, monitoring and training
  o Subcontracting e.g. option to declare subcontractors

• Training and improvement
  o Training e.g. type of training provided and the number of people trained (split by gender).
  o Improvement e.g. whether improvement projects have been done, and details on the project

• Monitoring and data capture
  o Working hours e.g. the types of monitoring used, and hours worked
  o Key performance indicators e.g. if data is monitored and an opportunity to update data within the SAQ.

• SAQ completion
  o e.g. whether support from customers to improve is required and who was consulted to complete the SAQ.

The SAQ aims to balance the need to collect enough information to provide information on risks and management control systems with the need minimise questionnaire length.

The SAQ has different questions for different sectors

The main difference between questions sets for goods and service providers (including agents and labour providers) is that goods providers are asked questions at a site level, whereas service providers are asked at a head office / enterprise level.

This is in order to enable service providers to complete the SAQ, many of whom may not have site-based workers. For example, a cleaning or security company may have a remote workforce.
There are different SAQs for agents and labour providers which are tailored to the risks present in these sectors. For example:

- Agents are not required to answer questions on their own workforce and questions are focused on supply chains
- Labour providers will not be asked questions on their supply chain, and instead focus on their workforce and recruitment practices.

**Question and answer format**

There are several answer formats in the SAQ, but the majority require either numerical data or a multiple-choice answer.

There is usually an “other” option for multiple choice questions so that companies can select this option and describe their practices further for consideration by the SAQ reviewer (usually a customer or the head office within their own company).

There are few Yes/No questions. Where this occurs a “Yes” answer is likely to prompt further question/s. This is a change from the previous version of the SAQ, which contained mostly Yes/No answers. This is to enable suppliers to complete the questions with greater accuracy than a Yes/No answer can elicit and reduces the likelihood of users answering what they feel is the “correct” answer.

Companies may not know the answers to all questions. Where this is the case, users can select an “I don’t know” option for many questions. Sedex recommends that where users select “I don’t know”, they should investigate this issue within their company and site and update and resubmit the SAQ once they have the information.

**Dynamic question sets**

The amount of questions asked will vary depending on the business type, site information and the processes and practices in place at the site. For example, if a company has accommodation on site, they will be asked extra questions about this. If a company has taken steps to positively improve working conditions or environmental performance, additional questions will be asked so that they can highlight good practices, and this will be reflected in their Management Controls Report scores.

**Reasons for including questions:**

The questions are aligned to SMETA (though not in a corresponding order to the SMETA audit), and aim to understand:

1. the risks that are present within a site or company and the people particularly vulnerable to risk;
2. the business practices that may increase risks;
3. the management controls in place to manage these risks;
4. what actions have been taken to improve understanding and management of risks within the company or site.

The answers within the SAQ predominantly feed into the Sedex risk assessment tool, or the Management Controls Report.

Sedex will launch its new risk assessment tool, Radar, in March 2020. Radar uses the country and activity declared by a site to determine the ‘inherent’ risks of a site at a country and sectoral level. The SAQ focuses on understanding the people present at site or within the company that may be particularly vulnerable to risks, the site or company characteristics and business practices that can increase risks and a site or company’s ability to manage these risks (identified by asking questions on management systems). The two sets of risks information are combined within Radar to provide users with a greater understanding of relative risk within their supply chain.

To note, some questions do not feed into either report and are included to enable reviewers of the SAQ to gain useful additional information or to be used by auditors to prepare for audit.

Alignment with frameworks, laws and standards

The following frameworks, laws, standards and reporting requirements have been reviewed as part of the SAQ and questions align with these where possible:

- BSR Gender Data and Impact Framework
- Consumer Goods Forum
- Corporate Human Rights Benchmark (CHRB)
- Ethical Trade Initiative (ETI)
- Fashion Transparency Index
- Know the Chain
- The ILO Conventions
- Oxfam Supermarkets Scorecard
- UK Modern Slavery Act 2015
- UN Global Compact
- UN Guiding Principles on Business and Human Rights (UNGPs)
- Workforce Disclosure Initiative (WDI)

The initiatives reviewed require many different data points. We identified where self-assessment was a reasonable methodology to capture the data, bearing in mind the need to keep the SAQ as short and meaningful to multiple sectors as possible. Where data points were not specified, but there were general themes and recommendations (for example to follow a human rights due diligence process), the SAQ includes relevant data points that can then feed into other tools that could support this broader process, such as Radar, the Sedex risk assessment tool.

Working with current Sedex platform functionality
The SAQ platform functionality remains largely the same, with some new feature enhancements released to help make completing the SAQ easier. This means that the way the questions are structured and answered will be consistent with the previous version of the SAQ.

Process for developing the SAQ

The phases within the SAQ question development project were as follows:

- Global supplier survey to feedback on previous SAQ
- Review of standards and frameworks (listed above)
- Question development with member and stakeholder review - see stakeholders consulted below
- Piloted the draft question set with members
- Edited based on member feedback
- Expert consultation with Ergon Associates
- Finalised the SAQ questions
- Built the question set on the Sedex platform

Stakeholders consulted in the review process include: