



Ethical Trade Standard

Document Owner	Senior Ethical Trade & Human Rights Manager
Email	food.technicalcentre@marks-and-spencer.com
What's changed?	New format (previously known as the Ethical Trading Code of Practice)
Who is it aimed for?	All direct & Alist Manufacturers and branded packhouses

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Scope

All Direct and A list suppliers

Produce and hardware suppliers are covered in separate documents

Executive Summary

This document sets out Sedex and ethical audit Requirements for M&S Food suppliers.

It also sets out the approved methodology, audit window, audit bodies, and expectations regarding visibility on Sedex.

Consequences are in place for failure to meet these requirements, as set out in the Terms of Trade. In addition, failure to register on Sedex, link to M&S, and have a valid ethical audit, are listed requirements within the Integrity audit.

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1.0 Introduction

For many years Marks & Spencer (M&S) has worked to ensure that our suppliers' employees, producing our products, are provided with good working conditions. This drive and supports our core brand value of trust – our customers expect high standards and trust us to work ethically.

Suppliers are responsible for ensuring every site producing M&S products meets minimum labour standards. Every site should meet the national law and the Global Sourcing Principles and have a plan to continuously improve to meet [ETI Base Code](#).

M&S works with the industry to reduce ethical audit duplication and to ensure that retailers, where possible, work to common standards and requirements. M&S works with an industry ethical trade database – Sedex – and to an industry audit protocol – SMETA, which is based on the ETI Base Code.

All processing and packing sites (including A list) should:

- Register on Sedex and link to M&S Foods (ZC1092139)
- Complete the Sedex self-assessment questionnaire
- Meet the [Global Sourcing Principles](#)
- Be aware of, and in compliance with, their ethical audit requirement and frequency, and close out actions arising from this audit within the timeline agreed with the audit body
- Be aware of M&S Food guidance on health and safety working hours, overtime premiums, guidance for rest breaks and changing time and zero hours contracts, all available on Connect
- In addition, sites located in Thailand are required to take part in [Project Issara](#)

2.0 Requirement within the M&S Integrity Audits

Within the M&S Integrity audit, it is assessed as a requirement that sites:

- Are compliant on Sedex registration and SAQ completion
- Have a valid full ethical audit, or evidence of an audit booking for the next three months

3.0 Sedex membership and linking

- Sedex is the largest collaborative platform for sharing ethical supply chain data. It aims to ease the burden on suppliers facing multiple audits, questionnaires and certifications and to drive improvements in the ethical performance of global supply chains. In order to connect buying companies on Sedex, it is necessary to form 'links' down the supply chain.

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- All sites supplying to M&S must be registered on [Sedex](#) prior to any production starting and have linked to M&S Foods (ZC1092139). Sedex membership must be renewed annually before expiration date and it is the suppliers' responsibility to complete this, including ensure the email contact is kept up to date on Sedex.

2.1 Sedex Self-Assessment Questionnaire

All sites must complete all sections of the Sedex self-assessment questionnaire (SAQ) in full. M&S will monitor SAQ completion.

2.2 Assistance with Sedex

For registering on Sedex please follow the link:
<https://www.sedexglobal.com/sitemap/join-sedex/>

For further help with Sedex account set up and linking please refer to Sedex Knowledge Hub. It is available only to Sedex members after initial registration and can be accessed by logging to Sedex Advance and clicking on the 'Help' link or 'i' tooltips at the top of each page.

If you are unable to resolve your query, or would like to confirm your linking is correct, please email M&S dedicated Sedex support: sedex@marks-and-spencer.com, or the Sedex helpdesk, on

- **UK /Europe** tel.+44 (0)20 7902 2320, email:helpdesk@sedexglobal.com
- **North America** tel.+1 877 355 4866, email:helpdesk@sedexglobal.com
- **Latin America** tel. +56 2 25940272, email:helpdesklatam@sedexglobal.com
- **China** tel. +86 (0)21 8031 1666, email:helpdeskchina@sedexglobal.com
- **Japan** tel. +81 (0) 3 4520 9729, email:japan@sedexglobal.com

2.3 Consequences of failure to link on Sedex

All suppliers, including A list, should be registered on Sedex and linked to M&S Food. If a site fails to do so, after due communication to support the site in becoming compliant, M&S has the right to enforce consequences, as set out in our Terms of Trade.

3.0 Ethical Audit requirements

All direct retail sites and all A list sites (including all protein processing sites) supplying M&S require ethical audits at a frequency set by M&S.

There is an alternative control for sites with less than 30 people, which is detailed in 3.9.

It is the responsibility of the supplier to ensure they are familiar with their audit requirement, audit frequency, and next audit due date, and in the event that they are

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not clear on requirements, to raise this with the M&S ethical or technical teams for clarification.

In order for an ethical audit to be valid for M&S purposes, the supplier must:

- Ensure the audit is conducted by an M&S approved audit body
- Book a full SMETA audit (full initial, full follow up, periodic)
- Name M&S as a customer when booking the audit
- Ensure the audit is semi-announced (3 weeks or more)
- Inform M&S of the audit date window, by emailing sedex@marksandspencer.com. This should be no later than 8 weeks ahead of your audit due date.
- Ensure that the audit is uploaded by the audit body on their Sedex account within 5-10 working days of the audit taking place, and published to be visible by M&S.

Ensure that all corrective actions are closed out on Sedex by the auditor, according to timescales agreed.

If your audit does not meet the criteria stated above, M&S has the right not to accept the audit, and require a new audit which meets the above criteria.

3.1 Audit frequencies

Audit frequencies are assigned by M&S and will be stated on the ethical page of your site's Connect account. The Audit cycle (2 or 4 years) starts from the last date of your full Audits (full initial, full follow up and periodic audit). In the meantime, please contact the M&S ethical team if you are unsure of your audit frequency. The following table is guidance.

Food Manufacturing direct and A List Suppliers UK, France, Switzerland, Belgium, Germany, Italy, Holland, Spain, Ireland	4 years
Food Manufacturing direct and A List Suppliers Thailand, Vietnam, South Africa, Kenya	2 years
Meat and Poultry, Eggs direct and A list Global	2 years
Produce suppliers, Fresh and Frozen Herbs Global	2 years

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Please contact the M&S ethical team if your country does not appear above.

Dairy suppliers, wine suppliers, basic produce and hardware suppliers are risk assessed for audit requirements, please refer to the relevant manufacturing standard to understand your requirement. If you are unsure, please contact the M&S Ethical team.

3.2 Consequences of failure to book an audit

All suppliers must inform M&S of their booked audit date window as soon as possible in advance of the audit, by emailing sedex@marksandspencer.com. Your new audit must take place before the previous audit expires.

If a supplier does not inform M&S of their booked audit window date within 30 days of their audit becoming overdue, M&S reserves the right to book the audit on your behalf. You will be informed of the audit date window, and invoiced for the cost of the audit as detailed in the M&S Terms of Trade rate card.

If you do not allow access to the auditor on the day off an audit, M&S reserves the right to enforce consequences, as set out in the Terms of Trade. This includes stopping of production and removing products from shelf.

3.3 More detail on a SMETA ethical audit

For more information on what an ethical audit covers, please refer to the [SMETA Guidance](#) where you can also download a pre-audit information pack. Additionally the instructions on how to send the request to the Auditor for Audit upload on Sedex are available through Knowledge Hub that can be accessed by logging in to Sedex Advance and clicking on the 'Help' link or 'i' tooltips at the top of each page.

Please note M&S accepts the Audits uploaded on Sedex by Audit body.

Having read this document, suppliers are also able to contact the Ethical Team if they would like to discuss ethical auditing in more detail.

Our requirement is the SMETA '2 pillar' audit, although suppliers may wish to conduct a '4 pillar' audit which additionally includes environmental and business practices – M&S will accept either 2 or 4 pillar SMETA audits.

3.4 Audit Codes

M&S requires ethical audits to be conducted using the [Sedex Members Ethical Trade Audit Methodology \(SMETA\)](#) which is based on the ETI Base Code.

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M&S will consider accepting the following Audit Methodologies if the audit has been conducted within the last year and the supplier is able to supply the full report (as well as the certificate) and this is uploaded correctly on to Sedex by the Audit body:

- SA8000 (first year)
- BSCI (first year)

If you wish to use SA8000, BSCI, or any other audit methodology, please inform the M&S ethical team and ensure that this has been discussed and resolve before the audit has taken place.

If 100% of the product you supply to M&S is supplied as Fairtrade, and labelled as Fairtrade in store, we will accept a Fairtrade audit. If the product you supply is not bought and sold as Fairtrade, a SMETA audit is required.

3.5 Approved 3rd party Auditing Companies

The following audit companies are accepted to conduct ethical audits for M&S suppliers. A list of contacts are included in the Appendix. Please check your country on the list. If you have already had an ethical audit by a company not listed here please discuss this with the M&S ethical team before the audit takes place. If your country is not listed below please speak to the M&S ethical team ahead of your audit taking place.

When booking an audit, always tell your 3rd party auditor that M&S is the customer – this will ensure our audit requirements are met and you may benefit from preferential rates. If you fail to inform the audit body you are an M&S customer, M&S reserves the right not to accept the audit.

If you are unhappy with the quality or service of an audit and cannot resolve this with the audit company, please escalate your issue to the M&S.

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You can find the contact details of these auditing companies in the appendix 2.

	I n t e r t e k	B V	S G S	U L - S T R	V e r n e r W h e e l o c k	P a r t n e r A f r i c a	E T S A f r i c a L t d	I m p a c t	V e r i s i o / S A I G l o b a l	A c c e r t	O n e S t e p	W I E T A	F S S I C e r t i f i c a t i o n	A L G I	S I P A S
UK	✓	✓	✓	✓	✓			✓	✓						
Rest of Europe	✓	✓	✓	✓	✓										
China	✓		✓	✓				✓							
India		✓	✓	✓				✓							
Brazil														✓	✓
Colombia			✓												
Kenya & Ethiopia + Other African Countries						✓	✓								
Turkey	✓	✓	✓	✓				✓							
Egypt	✓	✓		✓		✓									
Morocco	✓		✓	✓		✓									
South Africa						✓				✓		✓	✓		
Sri Lanka	✓	✓	✓	✓											
Chile	✓			✓											
Vietnam	✓	✓	✓	✓							✓				

3.6 2nd Party Audits

M&S will also accept audits from fully accredited and trained second party auditors. An Auditor must have completed the IRCA registered 3 day Auditing course and had 2 successful witnessed audits approved – please email the M&S ethical team so that this can be agreed in writing. 2nd party auditors must also be witnessed and approved once a year by M&S or our approved audit bodies.

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2nd party auditors must demonstrate they will uphold the same standards as 3rd party auditors, and all 2nd part audits must be semi-announced.

3.7 Semi Announced audits

M&S requires ethical audits to be conducted on a semi-announced basis. This means that the auditor and site will agree a three week window, during which the auditor may arrive on any day to conduct the audit. The site may nominate 2 days when they do not wish the audit to be conducted, for legitimate reasons such as key staff being absent.

In addition, M&S reserves the right to request or conduct unannounced audits.

3.8 Sedex upload and audit turnaround times

All ethical audits must be uploaded onto Sedex www.sedexglobal.com by the audit company who conducted the audit. For additional instructions on how to send the request to the Auditor for Audit upload on Sedex please use Sedex Knowledge Hub that can be accessed by logging in to Sedex Advance and clicking on the 'Help' link or 'i' tooltips at the top of each page.

As soon as the Audit report uploaded on Sedex by the Audit body you need to login into your account and make it visible. It is essential that all audits become visible to M&S on Sedex within 5-10 working days of the audit taking place. M&S will not accept an audit that is not shared within this time frame.

This includes the time for the auditor to write the report and upload it on Sedex, and for you to review the report and 'publish' it so that M&S can see it. Please work closely with your audit body to ensure this 10 day window is met, and please take care to ensure that you have correctly published your audit on Sedex – contacting M&S for extra support if necessary: sedex@marksandspencer.com

3.9 Small supplier alternative control

For sites with less than 30 workers at peak (including agency workers) there is an alternative control to full ethical audit. If you fall into this category you will be sent details on compliance requirements. If you do not meet these requirements according to the deadlines set out, M&S reserves the right to require a full ethical audit.

4.0 Audit grading and Non compliance Follow up

At the audit closing meeting you will agree a Corrective Action Plan with your auditor. Following the audit, this must be uploaded to Sedex by the auditor, as part of the full

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ethical audit report. Once the audit is available on Sedex, M&S will access the audit report and issue a grade of Red, Bronze, Silver, Gold.

With the exception of the fire safety and workplace communication issues listed below, M&S uses the SMETA Non-Compliance Guidance to assess the severity of issues (available through Knowledge Hub that can be accessed by logging in to Sedex Advance and clicking on the 'Help' link or 'i' tooltips at the top of each page, then select SMETA resources) and each issue will be scored Minor, Major or Critical. The M&S will then assign a Red, Bronze, Silver and Gold grading based on the number and severity of issues raised, as follows:

Grading	Minor	Major	Critical
Red	10 +	10 +	1 or more
Bronze	10 +	4-9	0
Silver	4-9	1-3	0
Gold	0-3	0	0

Any exceptions to issue close out must be discussed and agreed with M&S – this should take place in exception circumstances only.

If your audit is graded Red, we may request a further full audit, at your expense.

M&S differs from the SMETA grading guidelines in considering the following fire safety issues as critical rather than major:

- Blocked aisles/exits preventing use
- Fire fighting equipment inaccessible, insufficient, unusable or wrong type or no training on its use
- No fire alarm
- No evacuation procedures, drills or training
- No, or no adequate, functioning emergency lighting
- Systematic failures in health and safety systems

NB, in addition M&S follows the SMETA guidelines in grading “Locked or no fire exits” as critical.

We also differ from SMETA in requiring all workplaces with more than 50 workers to have an elected worker committee or trade union. Sites without this in place will receive a major non-conformance. If you would like guidance on setting up worker committees and strong workplace representation please contact:
victoria.dodman@marks-and-spencer.com

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5.0 New sites

All new sites supplying to M&S must enter the Ethical Trading programme and have a valid ethical audit prior to production starting. If a recent ethical audit has already taken place which meets M&S requirements, this may be accepted. The site must have completed, or be working to complete, all corrective actions, and the site will go on to the applicable audit frequency cycle, starting from the date of the previous audit. M&S may specify where major or critical issues must be closed out prior to production starting.

6.0 Due Diligence Programme and mobile technology

In order to assess that audits are being carried out robustly and using best practice, Marks and Spencer conducts a series of due diligence audits. This may involve:

- An additional auditor shadowing the audit
- Use of an alternative audit methodology
- An audit taking place where it would not normally required

If you have been selected to take part in the due diligence programme, M&S will contact you to discuss it with you.

M&S may also use mobile technology to increase the sampling of workers within the audit process. You will be contacted and informed if your site has been selected for this.

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Appendix 1.0: M&S Contacts

M&S FOOD ETHICAL TRADING TEAM

Foods

Please direct queries to:

Ethical Trade Officer and Data Analyst:
sedex@marks-and-spencer.com

Appendix 2.0: M&S Approved Auditor List and Contact

Below are the contacts at audit bodies.

Intertek Wendy Coyle wendy.coyle@intertek.com 0116 2630330 ext 352
BV Edward McGurran Edward.McGurran@uk.bureauveritas.com 07436 545506
SGS Sehin Fekadu Sehin.Fekadu@sgs.com +44 0 203 008 7868
UL-STR http://contact.ul.com/contact-ul-services/?service=Social%20Responsibility%20and%20Accountability%20Auditing
Verner Wheelock Samantha Day samantha.day@vwa.co.uk
Partner Africa audits@partnerafrica.org
Ethical Trade Services Africa Ltd Leonard Nawiri lnawiri@ethicaltradeservices.co.ke
Impactt https://impacttlimited.com/contact/
Verisio / SAI Global ukmarketing@saiglobal.com 0190 879 3246
Acert Emarie Van Schalwyk info@acert-africa.com

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One Step http://www.onestepvietnam.com/GL/en/contact/ (84.8) 3820 8191 9 (Vietnam)
WIETA Elzaan Windvogel Elzaan@wieta.org.za +27 (0)21 880 0580
FSSI Certification Anthony Chemaly achemaly@fssint.com
ALGI Silke Eidecker seidecker@algi.net
SIPAS info@sipascr-peru.com

Appendix 3.0: Other Auditing Codes

SA8000

The SA8000 certification programme is an independent monitoring and certification programme developed by Social Accountability International.
<http://www.sa-intl.org>

BSCI

(Business Social Compliance Initiative)
 European equivalent of Sedex, although BSCI has its own code of conduct and audit methodology. Audits are carried out by independent audit companies nominated by BSCI. BSCI is a 3 yearly programme. Full audit must have been within last 12 months. Alternative methodology yearly audits would be required to maintain approval.
<http://www.bsci-eu.com/>

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