

DRIVING SOCIAL & SUSTAINABLE BUSINESS PRACTICES

WITH SGS SOLUTIONS

7 BE THE BENCHMARK

RESPONSIBLE BUSINESS SERVICES

WWW.SGS.COM

WHEN YOU NEED TO BE SURE

SGS

SGS RESPONSIBLE BUSINESS SERVICES

As the world's leading inspection, verification, testing and certification company, SGS is recognized as the global benchmark for quality and integrity. With more than 89,000 employees, we operate a network of more than 2,600 offices and laboratories around the world.

SGS has been executing second party assessments for over 50 years. When the emerging issues around social compliance arose in the 1990s, SGS started to supplement their second party assessments to include social issues, further expanding our portfolio to include quality, environmental, security and due diligence assessments. Since then, SGS has been developing the capability to execute a variety of services within the compliance domain.

SGS performs thousands of assessments each year and has the confidence of working in partnership with large international organizations. As the leading partner for the retail industry, we provide our clients with the resources needed to mitigate risks throughout their supply chain, ultimately helping our clients **BE THE BENCHMARK**.



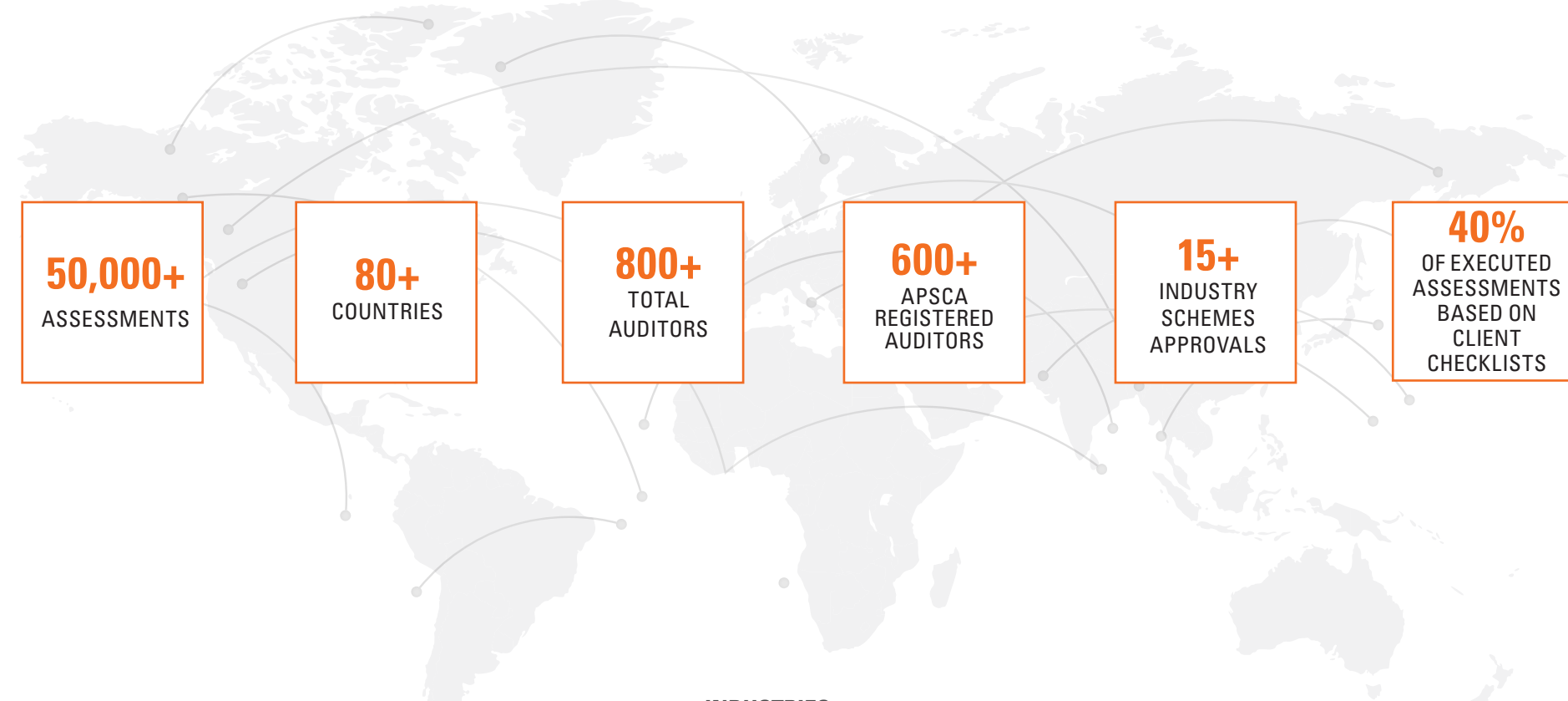
TRANSFORMATIONAL EXPERTISE

Our global network of experts, along with our contribution to various industry schemes allows us to provide clients with effective assessment solutions, executed as efficiently as possible. These solutions help our clients gain full visibility of their supply chain.



GLOBAL REACH, LOCAL EXPERTISE

SGS has unmatched, global coverage of trained and experienced compliance auditors around the world, with more than 800 located in over 80 countries. Using our network of highly skilled and experienced experts, SGS can design and measure your performance against social, ethical, quality and environmental risks within your supply chain.



INDUSTRIES



Textiles



Agriculture & Food



Hardgoods &
Jewellery



Electrical &
Electronics



Cosmetics &
Personal Care



Pharmaceuticals



DELIVERING SOLUTIONS WITH QUALITY, INTEGRITY & TRANSPARENCY

SGS provides a comprehensive range of risk based solutions that ensure social and corporate sustainability, helping you maintain a positive brand reputation. Our global knowledge and ability to provide robust, results oriented second party assessments is unrivaled.

Our experience is cemented by the involvement of our technical experts within multi stakeholder initiatives. With partnerships like SEDEX Stakeholder Forum (SSF), Sustainable Apparel Coalition Higg FEM, Social Labor Convergence Program (SLCP), and Association of Professional Social Compliance Auditors (APSCA), we stay abreast of relevant industry trends, regulations and needs. SGS's active involvement highlights our commitment to supporting industry growth.

WHAT MAKES US DIFFERENT

QUALITY

- Full APSCA membership
- Strong SGS contribution to social arena
- Client support from experienced Scheme Managers
- Large global network of auditors

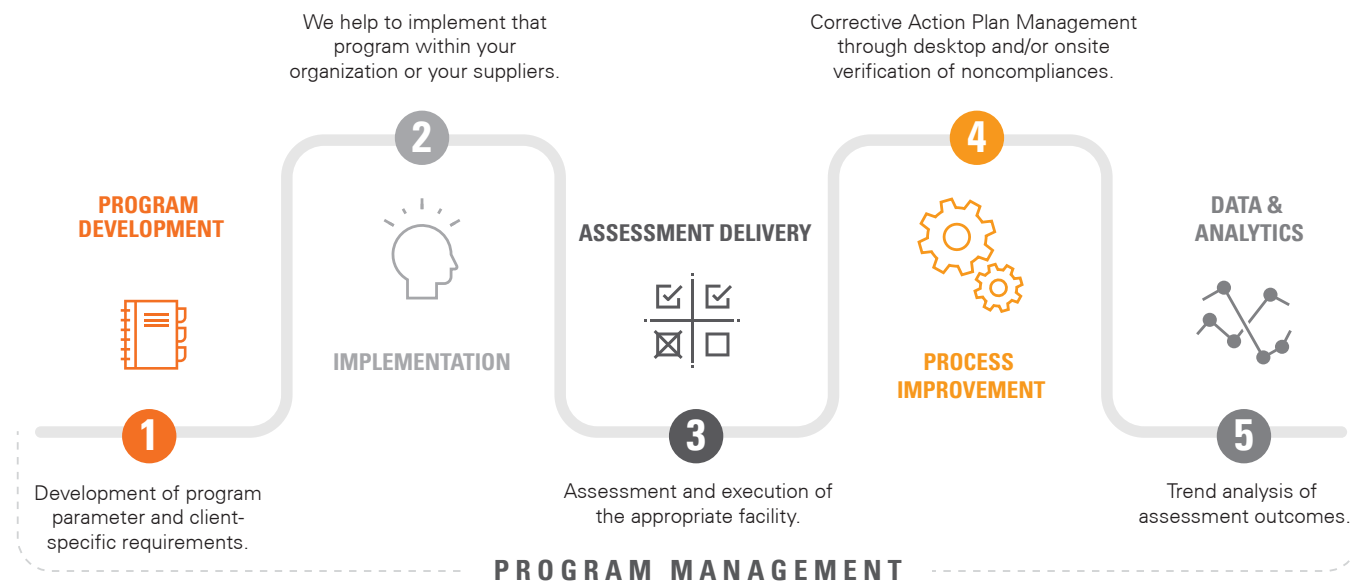
INTEGRITY

- Independent body
- ISO 17021 aligned procedures to guarantee management and continuous improvement
- Code of Integrity rolled out globally with annual training and system to monitor
- On the ground procedures and field measures to ensure operations integrity

TRANSPARENCY

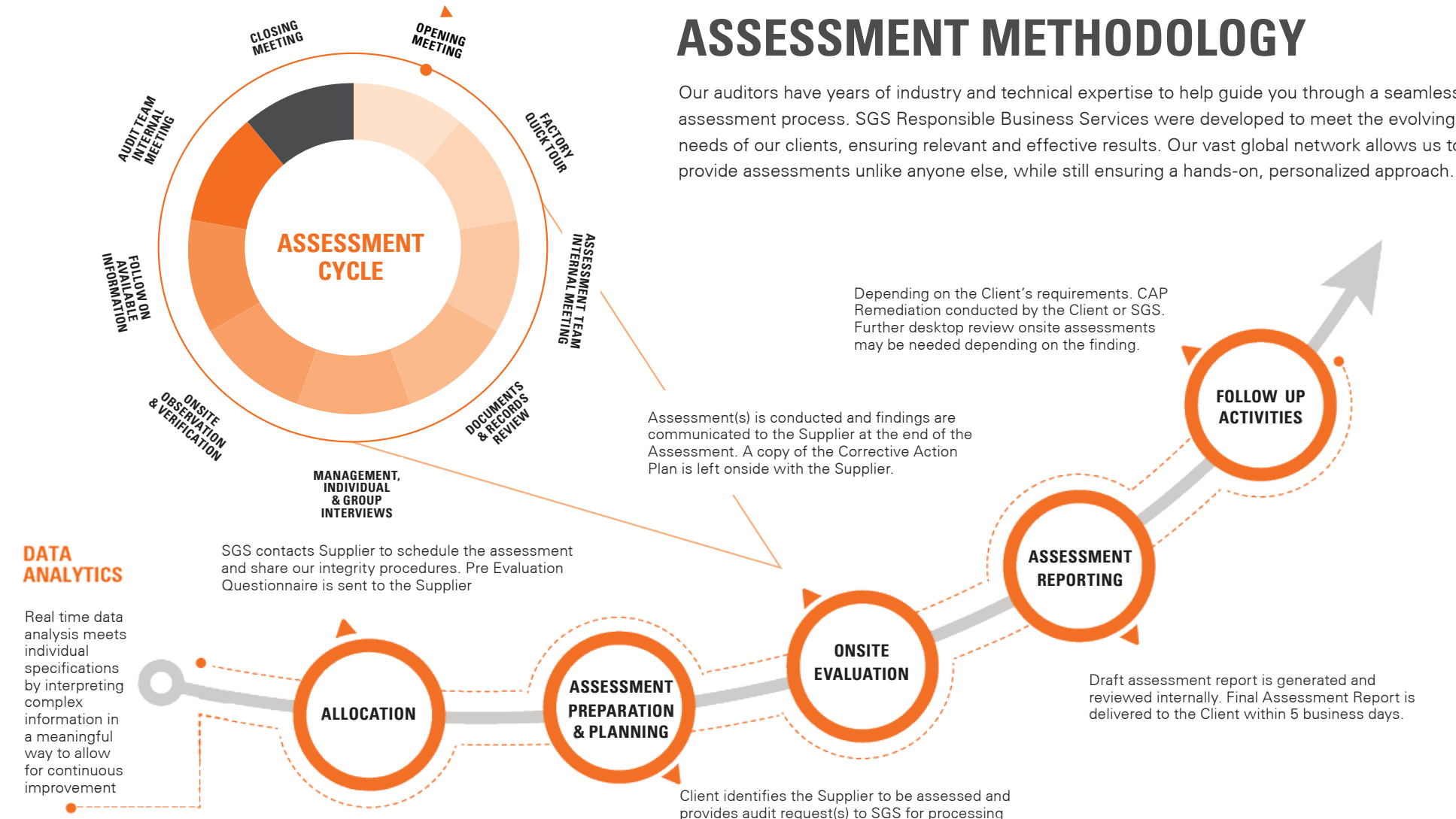
- Public Compliance Reporting in Sustainability Reports
- Data analytics and assessment management platform to report performance KPIs
- Committed to working in full transparency and willing to share our own performance

OUR PROCESS



ASSESSMENT METHODOLOGY

Our auditors have years of industry and technical expertise to help guide you through a seamless assessment process. SGS Responsible Business Services were developed to meet the evolving needs of our clients, ensuring relevant and effective results. Our vast global network allows us to provide assessments unlike anyone else, while still ensuring a hands-on, personalized approach.



DATA ANALYTICS

Real time data analysis meets individual specifications by interpreting complex information in a meaningful way to allow for continuous improvement

OUR SERVICE SCOPE

On site Assessment

Remote Assessment

CAP Management & Remediation

Program Benchmarks

Program Development

Training

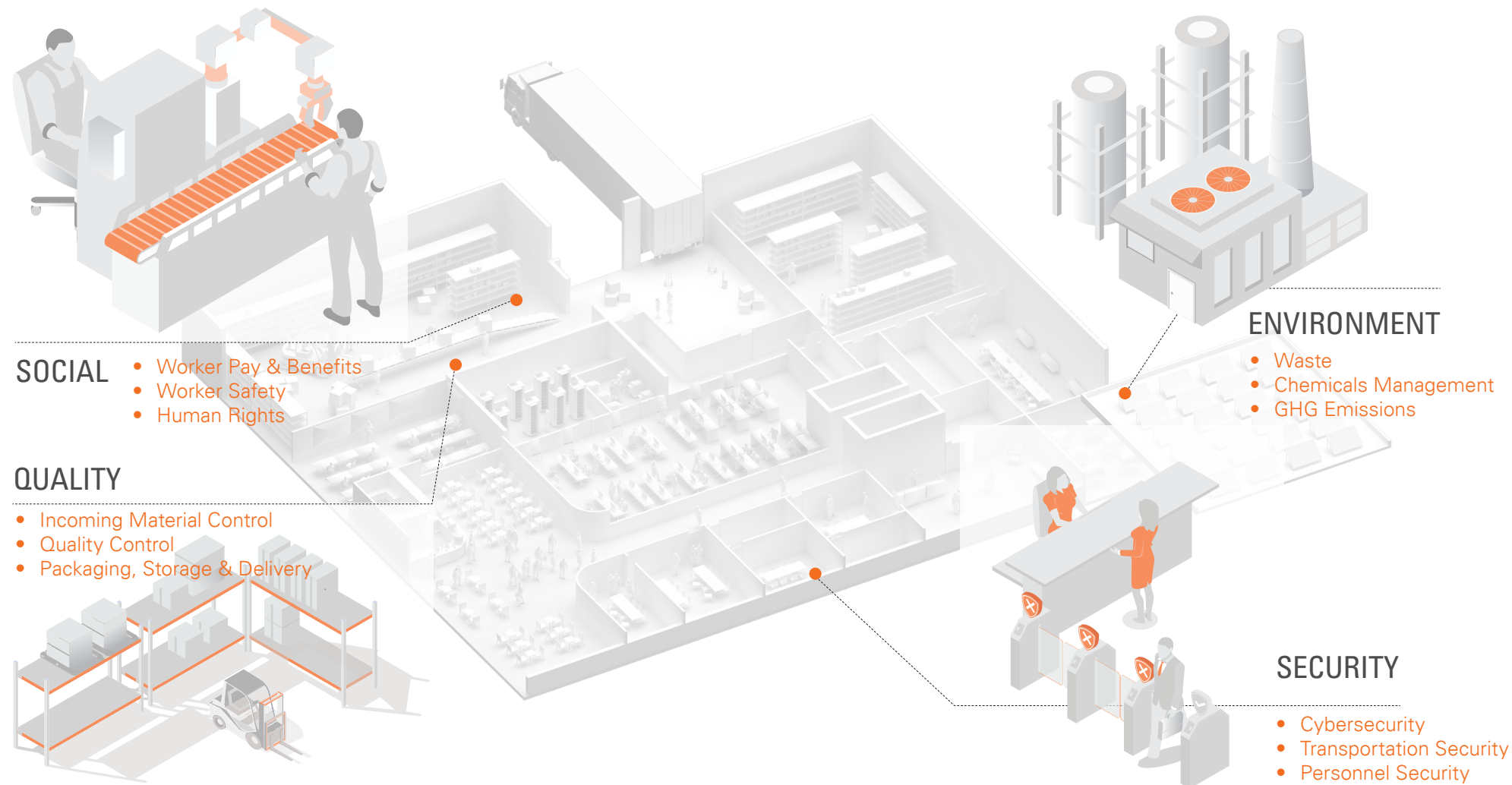
Substitutability Report Assurance

Program/Project Management

Data Analytics/ Risk Rating

ASSURING RESPONSIBLE BUSINESS PRACTICES IN ALL AREAS OF YOUR ORGANIZATION

Our Responsible Business Services bring value to various parts of your organization, covering several risk areas, including social, quality, environmental and security. With years of experience in second party assessments, SGS offers clients experience and expertise that is unmatched. By executing the proper due diligence within the supply chain, our clients are provided the assurance they need to meet industry and customer requirements.



SOCIAL ASSESSMENTS

With over 30 years of social compliance field experience, our strong technical background translates into the approval to conduct many social responsibility assessments against a range of internationally recognized codes and standards. The goal of which is to help you assess your compliance against the latest, most stringent requirements.

Our global & local network of experienced auditors is spread throughout sourcing countries, with 600+ being APSCA Registered or Certified Social Compliance Auditors. As the leading industry association, APSCA enhances the professionalism, consistency and credibility of our auditing team, ensuring the highest quality of social compliance assessments.

Supported by a global team of corporate social responsibility experts, we can tailor solutions that fit the individual needs of your program. Our robust data management systems provide you with the added assurance in knowing that the evidence you need to show your continued compliance is available for all stakeholders.

BENEFITS

Instill trust in customers and stakeholders

Be prepared to meet industry and customer requirements

Large pool of auditors, located in key production hubs

Wide range of scheme approvals to meet large variety of customer requirements

Analytics and expertise to translate data into actions

TYPES OF ASSESSMENTS



INDUSTRY INITIATIVES

- amfori BSCI
- ICTI Ethical Toy Program (IETP)
- Initiative for Compliance and Sustainability (ICS)
- Joint Audit Cooperation (JAC)

- Pharmaceutical Supply Chain Initiative (PSCI)
- Responsible Business Alliance (RBA)
- Responsible Jewellery Council (RJC)
- SEDEX Member's Ethical Trade Audit (SMETA)

- SEDEX Virtual Assessment (SVA)
- Social Labor Convergence Project (SLCP)
- Worldwide Responsible Accredited Production (WRAP)



SGS CHECKLISTS

- Onsite Code of Conduct Assessment (CCA)
- Remote Social Gap Assessment (RGA)



CLIENT SPECIFIC PROGRAMS

- Assessments conducted based on Client's proprietary methodology and tools.



QUALITY ASSESSMENTS

Product quality and safety are key priorities for consumers. Any failure of product quality could result in customer complaints and recalls. To ensure customers are satisfied with products, every production site needs reliable manufacturing and quality control systems.

SGS provides Factory Quality Assessments to verify the actual degree of compliance of your quality system, systematically evaluating every process in the production plant and analyzing the strengths and weaknesses in the manufacturing system.

Regardless of how well a quality system is planned, monitoring of the system is required if the quality system program is to be effective in ensuring that finished products meet client’s specifications. As a global leader in quality standards and assessments, SGS has the essential tools, personnel and industry knowledge to ensure customer compliance.

BENEFITS

Consistent KPIs to assess all suppliers

Assess against industry requirements and customer needs

Efficient and experienced auditors to streamline and simplify the assessment process

Auditors strategically located in key sourcing countries providing cost efficiencies & faster execution time

AREAS OF SCOPE

To provide you with a full factory profile of your potential manufacturer, the assessment covers these elements:



QUALITY MANAGEMENT SYSTEM



QUALITY PLAN



IMPLEMENTATION OF RISK ASSESSMENT



PERSONNEL TRAINING AND COMPETENCE & KNOWLEDGE



INFRASTRUCTURE MANAGEMENT



CUSTOMER FOCUS



CUSTOMER RELATED PROCESS



DESIGN AND DEVELOPMENT



PROCUREMENT AND SUPPLIER MANAGEMENT



INCOMING MATERIAL CONTROL



PROCESS AND PRODUCTION CONTROL



PACKAGING, STORAGE AND DELIVERY



FINAL INSPECTION & TESTING



NON-CONFORMING PRODUCT CONTROL



INTERNAL AUDIT AND MANAGEMENT

TYPES OF ASSESSMENTS

Factory Quality Assessment (FQA), Factory Capacity and Capability Assessment (FCCA), Remote Factory Quality Assessment



ENVIRONMENTAL ASSESSMENTS

With the degradation of ecosystems giving increasing cause for concern, many countries are turning their attention to environmental issues. While Governments enforce relevant regulations, industries have started to develop their own codes of conduct, limiting the use of chemicals and overhaul manufacturing operations.

As the leading second party environmental assessment provider, SGS’ strong technical contribution to industry schemes puts us at the forefront of regulatory changes and trends. With a wide range of assessment, verification and testing solutions, we help clients minimize environmental impact and improve sustainability performance. Our global network of experts provide clients with the knowledge needed to assess the environmental performance of their organization and to check whether it complies with mandatory standards and voluntary industry requirements.

OUR ENVIRONMENTAL EXPERTISE:

- Actively involved in the development and roll out of the Higg Index since 2011
- Successfully supported the steering committee for the convergence of chemical management between SAC, OIA and ZDHC
- Key contributor to the development of the Higg FEM verification program
- Large global network of auditors located in over 35 countries and qualified for different industry schemes

TYPES OF ASSESSMENTS



INDUSTRY INITIATIVES

- amfori BEPI
- Higg index FEM (Sustainable Apparel Coalition)
- Together for Sustainability (TfS)



CLIENT SPECIFIC PROTOCOLS

- Client’s proprietary compliance programs



SGS CHECKLISTS

- Onsite - Environmental Compliance Assessment (ECA)
- Remote - Environmental Compliance Assessment (ECA)

AREAS OF SCOPE



Environmental management system



Energy & greenhouse gas emissions



Air emissions



Water



Wastewater



Waste



Chemicals management



Land use & biodiversity nuisances



DUE DILIGENCE & SECURITY ASSESSMENTS

As global supply chains continue to evolve, brands experience increased risks in security and poor chain of custody practices. To help our clients navigate these areas, SGS offers security and due diligence audits to meet various industry needs.

Security Audits

All C-TPAT partners must provide specific security measures and action plans to align the security throughout their supply chain. This ensures they will be considered low-risk and will be granted a range of benefits, including shorter wait times at the US border. SGS has developed a scored audit checklist to assist companies in improving their security practices.

Due Diligence

From raw materials to retail shelves, brands and retailers in many industries are facing pressure to demonstrate their compliance to Conflict Minerals requirements. For several years, SGS has been verifying chain of custody systems for a variety of different industries including: paper/wood products, sustainable fisheries and conflict minerals.

TYPES OF ASSESSMENTS



INDUSTRY INITIATIVES

- Responsible Jewellery Council (RJC COC)
- Responsible Minerals Initiative (RMI)
- Supplier Compliance Audit Network (SCAN)



CLIENT SPECIFIC PROTOCOLS

- Client's proprietary compliance programs



SGS CHECKLIST

- Facility Security Assessment (FSA)

BENEFITS

Remain compliant to legal requirements

Collaborating with industry peers towards

Avoiding audit redundancy and standardizing the industry approach

Improve security practices and reduce vulnerabilities

Protect integrity of your cargo

Expedited turn around times at customs



SGS BUSINESS PRINCIPLES

SUCCESS IS...



INTEGRITY

MAKING SURE WE BUILD TRUST

We act with integrity and behave responsibly. We abide by the rules, laws, and regulations of the countries we are operating in. We speak up; we are confident enough to raise concerns and smart enough to consider any that are brought to us.



RESPECT

MAKING SURE WE TREAT ALL PEOPLE FAIRLY

We respect human rights. We all take responsibility for creating a working environment that is grounded in dignity, equal opportunities, and mutual respect. We promote diversity in our workforce and do not tolerate discrimination of any kind.



HEALTH & SAFETY

MAKING SURE WE ESTABLISH SAFE AND HEALTHY WORKPLACES

We fully protect all SGS employees, contractors, visitors, stakeholders, physical assets, and the environment from any work-related incident, exposure, and any kind of damage.



SUSTAINABILITY

MAKING SURE WE ADD LONG-TERM VALUE TO SOCIETY

We use our scale and expertise to enable a more sustainable future. We ensure that we minimize our impact on the environment throughout the value chain. We are good corporate citizens and invest in the communities in which we operate.



QUALITY & PROFESSIONALISM

MAKING SURE WE ACT AND COMMUNICATE RESPONSIBLY

We embody the SGS brand and its independence in our everyday behaviour and attitude. We are customer-focused and committed to excellence. We are always clear, concise, and accurate.



LEADERSHIP

MAKING SURE WE WORK TOGETHER AND THINK AHEAD

We are passionate entrepreneurial people with a relentless desire to learn and innovate. We work in an open culture, where smart work is recognized and rewarded. We foster teamwork and commitment.

SGS SUPPLY CHAIN SECURITY PROGRAM PROCESS



CONTACT SGS



www.sgs.com



www.sgs.com/facebook



www.sgs.com/twitter



www.sgs.com/linkedin



certification@sgs.com

WHEN YOU NEED TO BE SURE

SGS