

CASE STUDY

CLIPPER LOGISTICS

SEDEX MEMBERS ETHICAL TRADE AUDITS (SMETA) FOR THE LOGISTICS AND TRANSPORTATION SECTOR

Company

Clipper Logistics

Region

United Kingdom

Intertek Solutions

SMETA 2-pillar auditing and bespoke
3-pillar agency auditing

“The independent audits conducted by Intertek ensure transparency throughout Clipper’s supply chain and labour considerations.”

Richard Cowlshaw, Group HR Director at Clipper Logistics

Clipper Logistics is a UK retail supply chain solutions provider, offering warehousing and transport services to market-leaders, SMEs, and start-ups of all sizes. Having established relationships with many of the UK’s top retailers, the company’s 46 sites and fleet of over 300 vehicles fulfil high-street and e-commerce retail, both outbound and inbound on returns.



The Challenge

Brand reputation is critically important to Clipper Logistics, both the Clipper brand itself and the brands under management that Clipper looks after from a distribution and warehousing perspective. Many of the brands that Clipper supports have very rigorous controls in place to ensure ethical governance throughout their supply chain, from the point of manufacture all the way through to delivery of products to retail shops or endpoint customers.

Clipper Logistics employs in the region of 10,000 people based in the UK and abroad, including both core, permanent headcount and contingent labour through labour agencies. Clipper’s primary goal in managing its operations is to ensure proper governance and that all the people who work with, and for, the organisation are properly looked after. The challenge, therefore, is to gain effective oversight of the full supply chain and all of Clipper’s labour considerations and to mitigate issues that could cause concern, such as the risk of modern slavery, which can

affect any organisation. This oversight is the first step to ensuring Clipper’s labour policies are comprehensive, fair, and robust, and effectively prevent such problems occurring. The second goal is to ensure consistency between the labour practices at Clipper and those in place at the labour agencies, so that these policies combine to provide a coherent, overarching model for all workers within the Clipper supply chain.

The Solution

To enhance the governance of its supply chain and the full scope of its labour considerations, Clipper Logistics asked Intertek to conduct 2-pillar Sedex Members Ethical Trade Audits (SMETA) at its sites, as well as bespoke 3-pillar auditing at those labour agencies it works with. This rigorous audit methodology:

- provides a compilation of best practice ethical audit techniques
- is designed to help auditors conduct high quality audits that encompass all aspects of responsible business practice

- is designed to have a specific focus on labour agencies

This assurance programme ensures that proper governance and standard operating procedures are in place across all sites, with all staff managed fairly. Along with its participation in the Ethical Trading Initiative (ETI), the ongoing programme of SMETA audits ensure that Clipper Logistics can confidently say it is an ethically traded organisation.

The 3-pillar auditing process opens a window for the board of Clipper Logistics into practices that are occurring within the organisation and wider supply chain. In this sense, it acts as an early warning system that highlights if any risks could potentially develop.

Intertek is therefore able to alert the board to any identified or perceived unfair practices, any practices that fall short of the SMETA criteria or ETI, which enables a timely intervention and correction to be instigated.



Clipper is therefore able to be more proactive than reactive to any potential problems. The SMETA audits conducted by Intertek effectively dovetail into the other audits that Clipper conducts into quality management, environmental management and health and safety. Together, these checks form the comprehensive initiative that Clipper has in place with regard to people and operations management.

The Result

By partnering with Intertek, Clipper is able to say to its colleagues internally that it is proud of its ethical standards, that people are working for an organisation that is ethically minded, and that the fair treatment of everyone who works for Clipper Logistics is at the forefront of the HR strategy.

In addition, the ability to demonstrate that rigour to Clipper's customers and other partners is fundamental. This is crucial since Clipper's customers expect the organisations they work with to be able to demonstrate a superior level of performance against ethical standards. This is unequivocally shown through the independent audit process that Intertek conducts, which has resulted in key improvements and benefits:

- **Education:** When Intertek first began to conduct SMETA audits at Clipper, there was overwhelming support from the board, with top-down buy-in to the process. As a result, rigorous external standards were being applied to Clipper's internal HR functions, as well as the organisation's contingent labour functions. Naturally, this was an educative process for all concerned and there was a recognition that employment practices needed to adhere to best practices in order to be able to demonstrate that the SMETA standards were being upheld. While Clipper's internal audits ensured that this journey was relatively smooth, there were still lessons to be learned.
- **Employee voice:** Working with Intertek, an independent employee helpline was put in place so that employees and contingent workers are able to gain support and advice 24 hours a day, 365 days a year. Clipper has gained good results from this service as it acts as another early warning process, helping to resolve potential conflict or issues.



“The fundamental reason for choosing Intertek as a third party auditor was to ensure that objectivity, that rigour in process, that is unequivocal when it comes to demonstrating Clipper's ethical position.”

Richard Cowlshaw, Group HR Director at Clipper Logistics

Total Quality Assurance

Intertek is an industry leader with more than 46,000 employees in 1,000 locations in over 100 countries. We deliver Total Quality Assurance expertise 24 hours a day, 7 days a week with our industry-winning processes and customer-centric culture.

Contact our experts to discuss your organisation's requirements regarding Sedex Members Ethical Trade Audits, or other certifications, including the full range of ISO standards.

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