



ESG Supplier Audits

Add value.
Inspire trust.



Ensure your suppliers align with your sustainability goals

Your challenges

Due to legal obligations, or expectations from investors and business partners, many companies currently face sustainability-related challenges. This includes managing and disclosing the risks and opportunities arising from social and environmental issues along value chains, as well as the impact on people and the environment.

By using sustainability standards, buyers acknowledge their responsibility to assess economic, ecological, and social impacts. They extend these expectations to their suppliers, especially when human rights, workplace safety, environmental protection, and corruption prevention are considered.

What are ESG Supplier Audits?

TÜV SÜD's ESG Supplier Audits evaluate the maturity and robustness of defined controls and implemented practices at selected suppliers, taking into account international best practices, national law, and Code of Conduct requirements where applicable. Audits are arranged around the pillars of Environmental, Social and Governance, and consider the main sustainability criteria covered under prevailing Due Diligence Acts.

ESG Supplier Audits help you assess your suppliers' ability to:

- Achieve goals in the field of Environmental, Social, and Governance responsibility.
- Address compliance with relevant regulations and standards.
- Mitigate risks of adverse impacts.
- Promote continuous improvement.

Why are ESG Supplier Audits important for your business?

ESG Supplier Audits are crucial tools to manage due diligence obligations and protect your brand:



Prevention

Independently cross-check your risk analysis and suppliers' self-declarations.



Mitigation

Assess the robustness of systems and practices in place at high-risk suppliers.



How can we help you?

We help you to understand whether your suppliers are:

- Aligned with your Code of Conduct which commits them to social, ethical, and environmental standards.
- Complementing your efforts to achieve sustainability goals.
- Sharing similar sustainability values and integrating them in their day-to-day business.
- Configured for compliance with applicable laws.
- Resilient, flexible, and able to respond rapidly to disruptions.

If needed, our ESG Supplier Audits can be adapted to your Code of Conduct specifications, helping you to find the right balance between standard practices and focus areas of higher risk. Furthermore, we can complement your monitoring plans on the supply chain with topic-specific audits in the field of sustainability, especially for follow-up on identified areas of improvement or remediation against previous issues.

Your business benefits

- **Demonstrate compliance** with statutory requirements to regulators, and business partners, and avoid regulatory issues and legal challenges.
- **Identify and mitigate risks and vulnerabilities** by independently cross-checking your risk assessment through on-site visits to your supplier's facilities.
- **Enhance your brand reputation** by fostering stakeholder engagement, gaining valuable insights from your suppliers, and developing joint action plans for continuous improvement.
- **Gain investor confidence and increase access to capital** by ensuring your value chain is safeguarded from reputation and business risk, and that your suppliers adhere to your ethical standards and are aligned with your sustainability goals.

ESG Supplier Audit

Service delivery process:

- **Request for proposal** - client provides TÜV SÜD with detailed information on the suppliers to be audited and the preferred audit methodology (either customer checklist or TÜV SÜD ESG Supplier Audit).

- **Feasibility check** - TÜV SÜD looks at supplier compatibility with corporate policies (for example, the exclusion of blacklisted industry sectors such as arms, drugs, and countries under embargo or sanction regulations).
- **Offer provision** - in case of a positive feasibility check, TÜV SÜD customises a quote detailing our deliverable, cost, and time required.
- **Order assignment** - TÜV SÜD initiates the audit process.
- **Planning** - TÜV SÜD schedules the audit on-site. Where appropriate, the client may be involved in process facilitation.
- **Audit execution** - delivery of audit activities at identified supplier locations.
- **Reporting** - issued by TÜV SÜD, it can follow our standard template or client's specifications.

ESG Supplier Audit - process description and methodology

ESG Supplier Audits are conducted on-site at supplier locations, for example, production sites, distribution centres, and subcontracted facilities. Audits are conducted according to plan and include the following activities:

- Initial meeting with site management.
- Site tour to assess facilities and working conditions on the day of the audit.
- Interviews with relevant internal stakeholders (e.g., management, workers, representatives, etc.).
- Documentation review.

Once the audit is completed, a meeting with management discusses preliminary findings, including any non-compliances and areas for improvement.

During an audit, the team may identify non-compliance with relevant criteria in the field of ESG. These findings may represent violations of legal requirements or deviations from client-specific expectations. They could also highlight areas for increasing the maturity of the supplier's internal controls towards ESG goals, improving performance in the field of sustainability, mitigating the risks of adverse impacts, and, in general, promoting continuous advancement. TÜV SÜD auditors rate findings following any customer instructions, otherwise the following criteria apply:



Critical Finding

Severe human rights, environmental, or legal issue with difficult access to remedy and representing a significant reputational risk.



Major Finding

Systemic or severe issue (but not critical).



Minor Finding

Isolated or non-severe issue.

Information from the audit team is subject to quality control and approval before finalisation. After submission to our clients, reports are archived in TÜV SÜD's databases according to our strict confidentiality and data security policies.

Auditor qualification:

ESG Supplier Audits are delivered by professional auditors meeting TÜV SÜD qualification criteria, including:

- Proficiency in applying auditing practices.
- Demonstrated professional auditing experience in the field of ESG.
- Knowledge of applicable laws, regulations, working language, and context specific to the auditee.
- Ability to write a report in the English language.
- Ability to cover the local language of the auditee or be supported by an interpreter.
- Adherence to the "TÜV SÜD Code of Conduct".

Why choose TÜV SÜD?

As TÜV SÜD is vendor agnostic, our third-party audits are both impartial and independent. Our global team of experts have broad industry know-how and will help you to gain valuable insights into your business and value chain. ESG Supplier Audits are delivered by professional auditors meeting TÜV SÜD's qualification criteria. Your dedicated project manager offers local support, backed up by a team highly experienced in international audit planning and logistics. This global network ensures flexibility and cost-effective auditing wherever our customers are based.

Add value. Inspire trust.

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specialises in testing, certification, auditing services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology related risks. Through more than 26,000 employees across over 1,000 locations, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

Related services

TÜV SÜD provides the following related services

- Social Compliance Audits
- Sustainability Reporting Verification
- ISO 20400 Sustainable Procurement
- ISO 26000 Social Responsibility
- ISO 30415 Diversity and Inclusion

Find out more

For more information, please visit our website. Scan the QR code.

