




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: (only available on Sedex System)	ZC: 404642140	Sedex Site Reference: (only available on Sedex System)	ZS: 405038926
Business name (Company name):	Headwear 24 Pty Ltd		
Site name:	Headwear 24 Pty Ltd		
Site address: (Please include full address)	570 Inanda Road Unit 1 Fosa Park Durban 4037	Country:	South Africa
Site contact and job title:	Estelle Malan, HR Manager		
Site phone:	031 574 7020	Site e-mail:	estelle@groupaccounts.co.za
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	20-22 January 2021		

Audit Company Name & Logo: 	Report Owner (payer): Headwear24 (Pty) Ltd
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size):

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Thembani M Ncube APSCA number: RA21703830

Lead auditor APSCA status: Good Standing

Team auditor: Nil

Interviewers: Thembani M Ncube

Report writer: Thembani M Ncube

Report reviewer: Mark Mak

Date of declaration: 20 January 2021

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.		Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
		ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A	<u>Universal Rights covering UNGP</u>			<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	6	0	Non-conformances <ul style="list-style-type: none">• None Observations <ul style="list-style-type: none">• Obs 1: Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.• Obs 2: Businesses should have a designated person responsible for implementing standards concerning Human rights.• Obs 3: Businesses shall identify their stakeholders and salient issues.• Obs 4: Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.• Obs 5: Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

									<ul style="list-style-type: none"> Obs 6: Businesses shall have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter. <p>Good Examples</p> <ul style="list-style-type: none"> None
OB	Management systems and code implementation	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3	0	1	<p>Non-conformances</p> <ul style="list-style-type: none"> NC 1: The entity does not currently have a formal appointment for a designated person responsible for implementation of the ETI Base code. NC 2: At the time of the Audit, it was noted that workers have not formally received training on aspects such as forced labour, child labour and discrimination, harassment, and abuse contained in the Code of Ethics as confirmed through interviews and site tour. NC 3: The company does not have written policies and procedures specific to land rights which includes any due diligence the company will undertake to obtain free prior and informed consent (FPIC) even if the local law does not require it. <p>Observations</p> <ul style="list-style-type: none"> None <p>Good Examples</p> <ul style="list-style-type: none"> GE 1: Good policies in place e.g., Code of Business Conduct and Ethics Policy

1.	<u>Freely chosen Employment</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> NC 4: Not all sampled employment contracts were not available for the 26 sampled interviewed employees. <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
2	<u>Freedom of Association</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	1	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> GE 2: The entity has good worker/management relationship and respective collective agreements are in place.
3	<u>Safety and Hygienic Conditions</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	3	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> NC 5: No risk assessments have been carried out for evaluating the arrangements for workers doing overtime and controls to reduce identified risks. NC 6: The identified smoking areas do not have adequate signage in terms of the RSA Tobacco's Products Control Amendment Act No. 12 of 1999. NC 7: The entity currently does not have enough toilet seats for the female employees in production in line with the Facilities regulation. <u>Observations</u> <ul style="list-style-type: none"> None

									<u>Good Examples</u> <ul style="list-style-type: none"> None
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> GE 3: Evidence of diversity in the workplace as confirmed through worker interviews.
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None

									<u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	N/A
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None

10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<u>Non-conformances</u> <ul style="list-style-type: none"> None <u>Observations</u> <ul style="list-style-type: none"> None <u>Good Examples</u> <ul style="list-style-type: none"> None
General observations and summary of the site:									
<p>Headwear 24 manufactures caps, beanies and scarves. At the time of the audit there were 116 workers on site, including 31 migrants. Most of these workers are involved in the manufacturing process and are paid fortnightly, while the remainder work in the warehouse and are paid monthly. Swift packing and finishing rent a small portion of the site whose workers were included in the scope of the audit. A 26 sample was selected, and interviews were conducted with 26 workers. The findings, based on worker and management interviews, site observation and document review, were discussed and agreed upon in the closing meeting</p>									

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details																				
A: Company Name:	Headwear 24 Pty Ltd																			
B: Site name:	Headwear 24 Pty Ltd																			
C: GPS location: (If available)	GPS Address:	Latitude: 29'47'41.9S" Longitude: 30'56'51.5E"																		
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Company Registration Number 2009/02012907 Tax Ref. No: 9277730173 VAT: 4040255897 PAYE: 7220775276 UIF: 1987652/0 COIDA: 99000035703																			
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Manufacture and distribution of caps, beanies and scarves																			
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Headwear 24 is in a single building at 570 Inanda Road, Durban. The facility was established in 2002. The factory consists of the following areas: Reception, administration, design, digitising, heat transfer, printing, three sewing lines, embroidery, cutting, warehouse, quality control, waste area, canteen, lockers and toilets.</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Office</td> <td>N/A</td> </tr> <tr> <td>Floor 2</td> <td>Sewing & Cutting</td> <td>N/A</td> </tr> <tr> <td>Floor 3</td> <td>Heat transfer</td> <td>N/A</td> </tr> <tr> <td>Floor 4</td> <td>warehouse</td> <td>N/A</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>N/A</td> </tr> </tbody> </table> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details:</p> <p>F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>F4: Please give details: Municipality has done the necessary inspections.</p>		Production Building no	Description	Remark, if any	Floor 1	Office	N/A	Floor 2	Sewing & Cutting	N/A	Floor 3	Heat transfer	N/A	Floor 4	warehouse	N/A	Is this a shared building?	No	N/A
Production Building no	Description	Remark, if any																		
Floor 1	Office	N/A																		
Floor 2	Sewing & Cutting	N/A																		
Floor 3	Heat transfer	N/A																		
Floor 4	warehouse	N/A																		
Is this a shared building?	No	N/A																		

G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
H: Month(s) of peak season: (if applicable)	October, November and December.
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	Design, digitising, heat transfer, printing, three sewing lines, embroidery, cutting, packing and finishing of caps, beanies and scarves.
J: What form of worker representation / union is there on site?	<input checked="" type="checkbox"/> Union (SACTWU) <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details N/A

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 08:00 A2: Day 1 Time out: 16:30	A3: Day 2 Time in: 08:00 A4: Day 2 Time out: 16:30	A5: Day 3 Time in: 08:00 A6: Day 3 Time out: 15:00
B: Number of auditor days used:	3 Man-days		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Estelle Malan, HR Manager		
H: Is further information available (If yes, please contact audit company for details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	28-30/05/2018		
J: Previous audit type:	SMETA 4 Pillar		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives

A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	No worker representatives onsite		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	On Shift		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	67	0	0	12	0	0	0	79
Worker numbers – female	159	0	0	19	0	0	0	178
Total	226	0	0	31	0	0	0	257
Number of Workers interviewed – male	8	0	0	0	0	0	0	8
Number of Workers interviewed – female	14	0	0	2	0	0	0	16
Total – interviewed sample size	22	0	0	2	0	0	0	26

A: Nationality of Management	South African	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: South African 100% B2: Nationality 2: <u>Malawi</u> B3: Nationality 3: <u>Zimbabwe</u> B4: Nationality 4: <u>Swaziland</u>	Was the list completed during peak season? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please describe how this may vary during peak periods:
C: Please provide more information for the three most common nationalities.	C: approx % total workforce: Nationality 1 <u>87.9</u> C1: approx % total workforce: Nationality 2 <u>3.5</u> C2: approx % total workforce: Nationality 3 <u>4.7</u> C3: approx % total workforce: Nationality 4 <u>3.9</u>	
D: Worker remuneration (management information)	D: <u>0</u> % workers on piece rate D1: <u>90</u> % hourly paid workers D2: <u>10</u> % salaried workers Payment cycle: D3: <u>0</u> % daily paid D4: <u>0</u> % weekly paid D5: <u>10</u> % monthly paid D6: <u>90</u> % other - Fortnightly D7: If other, please give details	

Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	4 groups of 5	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 2	D2: Female: 4
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	The most common worker complaint was a poor relationship between supervisors and the production workers. Supervisors reportedly lack soft skills.	
I: What did the workers like the most about working at this site?	The workers liked that the working conditions are good and there is diversity in the workforce.	
J: Any additional comment(s) regarding interviews:	None.	
K: Attitude of workers to hours worked:	The attitude of workers towards hours worked was favourable.	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

L1: If yes, please give details:
<p>M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i></p>
<p>The workers were satisfied with the working conditions and the interview venue. The concern raised were to do with delays in clocking out due to the new face recognition clocking mechanism. There was also concern about the number of toilets at the embroidery section. This was a valid concern and it has been raised as a finding in this audit.</p>
<p>N: Attitude of worker's committee/union reps: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i></p>
<p>The worker's committee was satisfied with the relationship with management and were not threatened when they had to engage with the workers on worker issues.</p>
<p>O: Attitude of managers: <i>(Include attitude to audit, and audit process. Both positive and negative information should be included)</i></p>
<p>Management were cooperative and supported the audit process.</p>

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The company has a Code of Business Conduct and Ethics Policy in place which refers to respecting the rights of fellow employees and third parties.

The entity does not have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers and has not appointed a designated person responsible for implementing standards concerning Human rights. The entity has not identified its stakeholders and salient issues and has not measured its direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

The company does not have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Code of Business Conduct and Ethics Policy
- Letter of good standing
- Code of Conduct
- Management interview
- Worker interview

Any other comments:
None

A: Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Code of Business Conduct and Ethics Policy refers to respecting the rights of fellow employees and third parties.
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No appointed designated person. Name: Job title:
C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: A suggestion box is in place.
D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: If no, please give details: Grievance policy and procedure found satisfactory.
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The entity has a privacy policy and procedure in place.

Findings		
Finding: Observation <input checked="" type="checkbox"/>	Company NC <input type="checkbox"/>	Objective evidence observed:
Description of observation:		
Obs 1: The business does not have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.		
Obs 2: The business does not have a designated person responsible for implementing standards concerning Human rights.		

Obs 3: The business has not identified its stakeholders and salient issues.

Obs 4: The business has not measured its direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

Obs 5: Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

Obs 6: Businesses shall have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.

Local law or ETI/Additional elements / customer specific requirement:

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Comments:

None

Good examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: _____ %	A2: This year _____ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	Information not available.	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: _____ %	C2: This year _____ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	Information not available.	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: An incident register is in place.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: Number:	F2: This year: Number:
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	Information not available.	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year:	H2: This year:
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months _____ % workers	I2: 12 months _____ % workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months _____ % workers, ,	J2: 12 months _____ % workers

0B: Management system and Code Implementation

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- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
- 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.4 Suppliers are expected to communicate this Code to all employees.
- 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The company has implemented and maintained systems for delivering compliance to this Code. The company is operating legally in premises and has the correct business licenses, permissions and systems to ensure that all relevant land rights have been complied with in place.

A senior member of management who shall be responsible for compliance with the Code has not been appointed.

The code has not been communicated to all employees and suppliers and where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Code of Business Conduct and Ethics Policy
- Letter of good standing
- Code of Conduct
- Management interviews
- Worker interviews

Any other comments:

None

Management Systems:

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

☐ Yes

☒ No

A1: Please give details:

B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

☒ Yes

☐ No

	B1: Please give details: Code of Business Conduct and Ethics Policy.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Interviews have confirmed low awareness.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please give details: No evidence of formal training in place.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: No evidence of training in place.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: N/A
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Estelle Malan is the HR Manager
H: Is there a senior person / manager responsible for implementation of the code	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please give details: No formal appointment in place.
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Policies ensuring all worker information is confidential are in place.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Code of Business Conduct and Ethics Policy in place.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Policies are reviewed annually.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1 Please give details: All issues are addressed accordingly.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	M1: Please give details: The company has no policy requiring labour standards of its own suppliers in place.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The entity has a lease agreement in place.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: The entity has a lease agreement in place.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC:
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: Please give details: The entity has a lease agreement in place.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: The entity has a lease agreement in place.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: The entity has a lease agreement in place.

Non-compliance:

<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>NC 1: The entity does not currently have a formal appointment for a designated person responsible for implementation of the ETI Base code.</p> <p>Local law and/or ETI requirement: The entity should have designated person responsible for implementation of the ETI Base code.</p> <p>Recommended corrective action: The entity to formalize this appointment</p> <p>2. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>NC 2: At the time of the Audit, it was noted that workers have not formally received training on aspects such as forced labour, child labour and discrimination, harassment, and abuse contained in the Code of Ethics as confirmed through interviews and site tour.</p> <p>Local law and/or ETI requirement: Workers should be trained on s forced labour, child labour and discrimination, harassment, and abuse.</p> <p>Recommended corrective action: Business should train workers on forced labour, child labour, discrimination, and abuse. Entity to maintain records of this training for review.</p> <p>3. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>NC 3: The company does not have written policies and procedures specific to land rights which includes any due diligence the company will undertake to obtain free prior and informed consent (FPIC) even if the local law does not require it.</p> <p>Local law and/or ETI requirement: The site should have a written policy and procedures specific to land rights that includes any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p> <p>Recommended corrective action: Entity to generate the necessary policies</p>	<p>Objective evidence observed: Document review Interviews</p> <p>Document review Interviews</p> <p>Document review Interviews</p>
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Observation: None Observed	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

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Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>GE 1: Good policies in place e.g., Code of Business Conduct and Ethics Policy</p>	<p>Objective evidence observed:</p> <p>Document review Interviews</p>

1: Freely Chosen Employment

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ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

No evidence of forced, bonded or involuntary prison labour was noted onsite.

Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice, this was confirmed by interviews.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- ID copies
- Payslips
- Contracts of employment
- Management interviews
- Worker interviews

Any other comments:

None

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If yes, please give details and category of worker affected: Covers all the workers and is interest free.
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: This was confirmed by interviews

E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: N/A
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: No evidence of restrictions on workers' freedoms to leave the site at the end of the work day was noted.
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: N/A
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The site does not use agencies

Non-compliance:	
1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: NC 4: Not all sampled employment contracts were not available for the 26 sampled interviewed employees. Local law and/or ETI requirement Basic Conditions of Employment Act 75 of 1997 as amended by the Basic Conditions of Employment Amendment Act 11 of 2002 Chapter 4 Written Particulars of Employment 29 (1) "An employer must supply an employee, when the employee commences employment, with the following particulars in writing. Recommended corrective action: Employment contracts to be generated and maintained for all employees.	Objective evidence observed: Document review Interviews

Observation: None Observed	
Description of observation: Local law or ETI requirement:	Objective evidence observed:

Comments:

Good Examples observed: None Observed

Description of Good Example (GE):

Objective evidence observed:

2: Freedom of Association and Right to Collective Bargaining are Respected

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ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Workers have the right to join or form trade unions of their own choosing and to bargain collectively, without distinction. The employer adopts an open attitude towards the activities of trade unions and their organisational activities. Interviews confirmed that workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Workers are members of the Southern African Clothing and Textile Workers' Union (SACTWU).

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Collective bargaining agreement
- Interviews
- Site tour

Any other comments:

None

A: What form of worker representation/union is there on site?	<input checked="" type="checkbox"/> Union (SACTWU) <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

D: Is there any other form of effective worker/management communication channel? <i>(Other than union/worker committee e.g. H&S, sexual harassment)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please give details: There is no other form of effective worker/management communication channel. D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Meetings are held as and when required with no restrictions.	
F: Name of union and union representative, if applicable:	SACTWU Mfundo Mvindi Hlengiwe Mzolo	F1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	No other forums	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 2016
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many:	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Interviews have confirmed the union is effective.	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: 60 % workers covered by Union CBA	M2: __0__% workers covered by worker rep CBA

M3: If **Yes**, does the Collective Bargaining Agreement (CBA) include rates of pay?

☒ Yes
☐ No

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None Observed

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):

GE 2: The entity has good worker/management relationship and respective collective agreements are in place.

Objective evidence observed:

3: Working Conditions are Safe and Hygienic

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ETI

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The company has provided a safe and hygienic working and has taken adequate steps to prevent accidents and injury to health which may arise out of or associated with, activities, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment. All employees receive regular and recorded Health & Safety training. Access to clean toilet facilities, potable water, and sanitary facilities for food storage was confirmed by the site tour. No accommodation is provided by the company.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Occupational health and safety hazard identification and risk assessment
- COVID-19 risk assessment
- Evacuation plan
- Health and safety policy
- Occupational health and safety "Right to Know"
- SHE representative training certificate
- First aid level 1 training certificates
- Incident register
- Material Data Sheet
- Occupational hygiene assessment for noise
- Site operating procedure
- Emergency action plan
- Code of conduct
- Management interviews
- Employee interviews
- Site tour

Any other comments:
None

<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Health and safety policy in place.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: Please give details: There are no workers manuals.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There are no structural additions.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Induction is carried out upon arrival onsite.</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: There is no medical room onsite.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The site has trained first aiders.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g., buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: The company does not provide worker transport.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: This was confirmed by the site tour</p>
<p>I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: Please give details: Risk assessments were not in place.</p>

and are there controls to reduce identified risk?	
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Interviews and site tour confirmed that the site is meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The company does not make use of banned chemicals.

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: NC 4: No risk assessments have been carried out for evaluating the arrangements for workers doing overtime and controls to reduce identified risks</p> <p>Local law and/or ETI requirement Occupational Health and Safety Act 85 of 1993 as amended by Occupational Health and Safety Amendment Act, No. 181 of 1993 8 General Duties of Employers to their Employees (d) establishing, as far as is reasonably practicable, what hazards to the health or safety of persons are attached to any work which is performed, any article or substance which is produced, processed, used, handled, stored or transported and any plant or machinery which is used in his business, and he shall, as far as is reasonably practicable, further establish what precautionary measures should be taken with respect to such work, article, substance, plant or machinery in order to protect the health and safety of persons, and he shall provide the necessary means to apply such precautionary measures;</p> <p>Recommended corrective action: Entity to conduct the appropriate risk assessments</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: NC 5: The identified smoking areas do not have adequate signage in terms of the RSA Tobacco's Products Control Amendment Act No. 12 of 1999</p> <p>Local law and/or ETI requirement: Tobacco Products Control Amendment Act No 12 of 1999 3 "An employer, owner, licensee, lessee or person in control of a public place may designate a portion of a public place as a smoking area, provided that:</p>	<p>Objective evidence observed: Document review Interviews</p> <p>Site tour</p>

the message: "SMOKING OF TOBACCO PRODUCTS IS HARMFUL TO YOUR HEALTH AND TO THE HEALTH OF CHILDREN, PREGNANT OR BREASTFEEDING WOMEN AND NON-SMOKERS. FOR HELP TO QUIT PHONE (011) 720 3145" is displayed at the entrance to the designated smoking area, written in black letters, at least 2cm in height and 1,5 cm in breadth, on a white background; and..."

Recommended corrective action:

Align to the Tobacco Products Control Amendment Act No 12 of 1999 3, A warning sign of the health effects of smoking to be displayed in the designated smoking area

3. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

NC 6: The entity currently does not have enough toilet seats for the female employees in production in line with the Facilities regulation.

Local law and/or ETI requirement:

Occupational Health and Safety Act 85 of 1993 as amended by Occupational Health and Safety Amendment Act, No. 181 of 1993 Facilities Regulations 2 Sanitation (1) "Every employer shall provide sanitary facilities at a workplace in accordance with Parts F, P and Q of the National Building Regulations

Recommended corrective action:

Entity to provide a sufficient number of toilet seats for the female employees in production.

Site tour

Observation: None Observed

Description of observation:

Local law or ETI requirement:

Recommended corrective action:

Objective evidence observed:

Good Examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

4: Child Labour Shall Not Be Used

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ETI

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

No evidence was found on the recruitment of child labour. A policy that prohibits the use of child labour and young workers is in place. The youngest employee found onsite is 20 years old.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- ID copies
- 26 Employment contracts
- Management interviews
- Employee interviews
- Site tour

Any other comments:

None

A: Legal age of employment:	18
B: Age of youngest worker found:	20
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0%
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:
(where relevant please add photo numbers)

Observation: None Observed

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

5: Living Wages are Paid

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[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Wages and benefits paid for a standard working week meet the national legal standards and industry benchmark standards. Interviews confirmed that workers are provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

There was no evidence of deductions being made for disciplinary reasons. All disciplinary measures are recorded. Rates are stipulated in the Contracts of Employment and employees receive detailed payslips monthly.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Employment contracts
- Payslips
- Staff loan policy
- Payroll listing
- Loan application forms
- Wages schedule
- Distribution of losses/ Damages to be recovered from staff
- National collective agreement
- COVID-19 lockdown collective agreement
- Management Interviews
- Employee Interviews
- Site tour

Any other comments:

None

Non-compliance: None Observed

<input type="checkbox"/> NC against ETI code: 1. Description of non-compliance: <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i>
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Observation: None Observed

Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:
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Good Examples observed: None Observed

Description of Good Example (GE):	Objective Evidence Observed:
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Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 45 hours/week	A1: 45 hours per week	A2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 10 hours/week	B1: 10 hours per week	B2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: As per National Bargaining Council for the Clothing Manufacturing	C1: R 963.40 per week	C2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	Industry (KwaZulu-Natal) – new wage rates for the period 1 September 2019 to 31 August 2020		
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: X1.5 weekdays and Saturdays X2 public holidays and Sundays	D1: X1.5 weekdays and Saturdays X2 public holidays and Sundays	D2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)		
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
A1: If No , why not?	N/A	
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	26 samples for: February 2020 August 2020 December 2020	
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If Yes , please give details: National Bargaining Council for the Clothing Manufacturing Industry (KwaZulu-Natal)
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	D1: If No , please give details:
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> R 963.40 per week
F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: ____% of workforce earning minimum wage F3: _100____% of workforce earning above minimum wage	

G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> Dependant on company performance.		
H: What deductions are required by law e.g. social insurance? Please state all types:	UIF, Provident Fund, PAYE		
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. UIF 2. Provident Fund 3. Council levies 4. Funeral cover Please describe:
		I2: Please list all deductions that have not been made.	1. PAYE 2. Please describe:
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: This was confirmed by document review.		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: N/A		
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: N/A		

<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: This is covered in the collective bargaining agreement.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Reviewed payslips confirmed this.</p>
<p>Q: How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:</p>

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The working hours are compliant with the national laws and collective agreements.

Normal working hours including overtime, are clearly defined in the employment contracts and they do not exceed 48 hours per week.

Interviews confirmed that overtime is voluntary and is used responsibly, it is not used to replace regular employment. Interviews and review of time sheets confirmed that the total hours worked in any 7-day period do not exceed 60 hours. Workers receive 2 days off in every 7-day period.

The daily shift applies as follows:

07: 00 – 16:30 Monday to Thursday

07:00 – 13:30 Friday

The daily rest period/ breaks apply as follows:
 15 mins tea break and 30 mins lunch break – Monday to Thursday
 15 mins tea break - Friday

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Employment contracts
- Time sheets
- National collective agreement
- COVID-19 lockdown collective agreement
- Management Interviews
- Employee Interviews
- Site tour

Any other comments:
 None

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:
 (where relevant please add photo numbers)

Observation: None Observed

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):

Objective Evidence Observed:

Working hours' analysis Please include time e.g. hour/week/month (Go back to Key information)					
Systems & Processes					
A. What timekeeping systems are used: time card etc.	Describe: Biometric system				
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details				
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:			
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate:			
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
		If "Other", Please define:			
		N/A			
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details: N/A			
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
	Maximum number of days worked without a day off (in sample):				
	5				

Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: N/A
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: N/A
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 10 hours per week	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	___4___%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: This is clearly stated in the employment contracts and the interviews also confirmed this.
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: X1.5 weekdays and Saturdays X2 public holidays and Sundays
N: Is overtime paid at a premium?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N1: If yes, please describe % of workers & frequency:

<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<div> <input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other </div> <div> <p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p> </div> <div> <p>N/A</p> </div>
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<div> <input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) </div> <div> <p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> </div> <div> <p>N/A</p> </div>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<div> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>Q1: If yes, please give details:</p> </div>
<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<div> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div>

7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

There was no evidence of discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Code of Business Conduct and Ethics Policy
- Codes of Good Practice
- Worker interviews
- Site tour

Any other comments:
None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: __50__ % A2: Female __50__ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	3
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: N/A

Professional Development

A: What type of training and development are available for workers?

Fibre processing and manufacturing Sector Education and Training Authority for unemployed learners

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?

☒ Yes
☐ No

If no, please give details:

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:
(where relevant please add photo numbers)

Observation: None Observed

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

All work is performed on the basis of a recognised employment relationship between the employee and employer in the form of contracts. Vacancies are advertised internally before posting externally – (depending on the level of position). The Basic Conditions of Employment Act and the Employment Equity Act, were seen posted in the facility for employees to peruse. UIF deductions have been made.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Terminated Employees report
- Payroll listing report
- Employment contracts
- Payslips
- Time sheets
- Management Interviews
- Employee Interviews
- Facility Tour

Any other comments:

None

Non-compliance: None Observed	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation: None Observed	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None Observed	
Description of Good Example (GE):	Objective Evidence Observed:

Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:

C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details: N/A
D: If any checked, give details:	N/A

Migrant Workers:		
<p>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</p>		
A: Type of work undertaken by migrant workers:	Operators	
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: 0 B2: Total number of (outside of local country) recruitment agencies used: 0	
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:	C2: Observations: This was confirmed by interviews and document review.
D: Are Any migrant workers in skilled, technical, or management roles Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: Planner.	

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details: N/A
C: If any checked, give details:	N/A

Agency Workers (if applicable)	
(workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)	
A: Number of agencies used (average):	A1: Names if available: 0
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	D1: Please give details: N/A
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: N/A

Contractors: <i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: If yes, how many contractors are present, please give details: 1 security company.
B: If Yes , how many workers supplied by contractors?	2
C: Do all contractor workers understand their terms of employment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Interviews confirmed this.
D: If Yes , please give evidence for contractor workers being paid per law:	Reviewed payslips confirmed this.

8A: Sub-Contracting and Homeworking

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

N/A - No sub-contracting or homeworking.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

If any processes are sub-contracted – please populate below boxes

Process Subcontracted	Process 1	Process 2
Name of factory		
Address		

Process Subcontracted	Process 3	Process 4
Name of factory		
Address		

Process Subcontracted	Process 5	Process 6
Name of factory		
Address		

Details:

Non-compliance: None Observed

1. Description of non-compliance:

- ☐ NC against ETI/Additional Elements
 ☐ NC against Local Law
☐ NC against customer code:

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:
(where relevant please add photo numbers)

Observation: None Observed

Description of observation:

Local law or ETI/Additional elements requirement:

Comments:

Objective evidence observed:

Good Examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

Summary of sub-contracting – if applicable

☒ Not Applicable please x

A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting

- ☐ Yes
☐ No
 A1: Please describe:

B: If sub-contractors are used, is there evidence this has been agreed with the main client?

- ☐ Yes
☐ No
 B1: If **Yes**, summarise details:

C: Number of sub-contractors/agents used:

D: Is there a site policy on sub-contracting?

- ☐ Yes
☐ No
 D1: If **Yes**, summarise details:

E: What checks are in place to ensure no child labour is being used and work is safe?	
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Summary of homeworking – if applicable			
<input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?			
F: What processes are carried out by homeworkers?			
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:		
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to summary of findings\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: A grievance policy and policy is in place.
B: If Yes , are workers aware of these channels and have access? Please give details.	Yes, interviews confirmed that workers are aware and have access to these channels.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	A suggestion box is in place.
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Grievance procedure.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details
F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain

H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: If yes, please give details

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The was no evidence of physical abuse, verbal abuse, sexual harassment or any other abuse or form of intimidation.

The company has a grievance policy and procedure in place.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Code of Business Conduct and Ethics
- Disciplinary procedure
- Grievance procedure

Any other comments:

None

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None Observed	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None Observed	
Description of Good Example (GE):	Objective Evidence Observed:

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

There are systems in place for the verification of workers' right to legally work in South Africa. copies of all identity documents and valid work permits were on file.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Contracts of Employment
- Copies of IDs
- Management Interviews
- Employee Interviews
- Site Tour

Any other comments:

None

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local Law

☐ NC against customer code:

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None Observed	
Description of observation: Local law or ETI/Additional Elements requirement: Comments:	Objective evidence observed:

Good examples observed: None Observed	
Description of Good Example (GE):	Objective Evidence Observed:

10. Other issue areas 10B4: Environment 4–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co–ordinating the site's efforts to improve environmental performance.

B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment, the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Environmental policy
- Management Interviews
- Employee Interviews
- Site Tour

Any other comments:

None

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local

☐ NC against customer code:

Objective evidence observed:

(where relevant please add photo numbers)

Local law and/or ETI/Additional Elements requirement:

Recommended corrective action:

Observation: None Observed

Description of observation:

Local law or ETI/Additional elements requirements:

Comments:

Objective evidence observed:

Good examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Estelle Malan
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Environmental risk assessments are in place.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: N/A
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available?
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The policy addresses impact from the company's operations and its commitment to improvement
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: N/A
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: All legally required permits are in place.
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A I1: Please give details:
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Interviews and document review confirmed this.
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The Reclamation Group is responsible for this.

L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: recycling records are in place.	
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Water and energy are measured through the municipality bill and statement.	
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: N/A	
Usage/Discharge analysis		
Criteria	Previous year: Please state period: _____ 2019 _____	Current Year: Please state period: _____ 2020 _____
Electricity Usage: Kw/hrs	4048,92	5166,82
Renewable Energy Usage: Kw/hrs	Solar Panels & Generator (no data on Kw/hrs)	Solar Panels & Generator (no data on Kw/hrs)
Gas Usage: Kw/hrs	Nil	Nil
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	N/A	N/A
Water Sources: Please list all sources e.g. lake, river, and local water authority.	<ul style="list-style-type: none"> Local water authority 	<ul style="list-style-type: none"> Local water authority
Water Volume Used: (m ³)	1723,46 kl	2264,50 kl
Water Discharged: Please list all receiving waters/recipients.	<ul style="list-style-type: none"> Not recorded 	<ul style="list-style-type: none"> Not recorded
Water Volume Discharged: (m ³)	Nil	Nil
Water Volume Recycled: (m ³)	Not recorded	Not recorded
Total waste Produced (please state units)	Nil	Nil

Total hazardous waste Produced: (please state units)	Nil	Nil
Waste to Recycling: (please state units)	Fabric, Cartons & Plastic - volumes not recorded	Fabric, Cartons & Plastic - volumes not recorded
Waste to Landfill: (please state units)	20 wheelie bins per week	22 wheelie bins per week
Waste to other: (please give details and state units)	N/A	N/A
Total Product Produced (please state units)	105000 units per month	189000 units per month

10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to summary of findings\)](#)

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The entity conducts its business ethically without bribery, corruption, and any type of fraudulent Business Practices. The company meets the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices and has demonstrated that it is compliant with all FICA legislative requirements.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Letter of good standing
- Code of Business Conduct and Ethics Policy
- Environmental policy
- Management interviews
- Employee interviews

- Site tour

Any other comments:
None

Non-compliance: None Observed

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local

☐ NC against customer code:

Local law and/or ETI/Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None Observed

Description of observation:

Local law or ETI/Additional elements requirement:

Comments:

Objective evidence observed:

Good examples observed: None Observed

Description of Good Example (GE):

Objective Evidence Observed:

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	<input checked="" type="checkbox"/> Internal Policy <input type="checkbox"/> Policy for third parties including suppliers A1: Please give details: Code of Business Conduct and Ethics Policy in place.
B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Training records on the Code of business conduct and ethics policy are in place.
C: Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: Policy is updated annually.
D: Does the site require third parties including suppliers to complete their own business ethics training	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: This was confirmed by document review and interviews.

Other findings

Other Findings Outside the Scope of the Code
None observed

Community Benefits <i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>
None observed

Appendix 1

<p>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</p> <p><input checked="" type="checkbox"/> Not Applicable please x</p>	
<p>NOTE: The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p>Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
ETI Code / Additional Elements	Customer's Supplier Code equivalent
0.A. Universal Rights covering UNGP	0.A. Universal Rights covering UNGP
<p>0.A. Guidance for Observations</p> <p>0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p>0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p>	
0.B. Management Systems & Code Implementation	0.B. Management Systems & Code Implementation
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p>	

<p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	
ETI 1. Forced Labour	ETI 1. Forced Labour
<p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>	
ETI 2. Freedom of association and the right to collective bargaining are respected	ETI 2. Freedom of association and the right to collective bargaining are respected
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.</p>	
ETI 3. Working conditions are safe and hygienic	ETI 3. Working conditions are safe and hygienic
<p>3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p>	

<p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.</p>	
ETI 4. Child labour shall not be used	ETI 4. Child labour shall not be used
<p>4.1 There shall be no new recruitment of child labour.</p> <p>4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	
ETI 5. Living wages are paid	ETI 5. Living wages are paid
<p>5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.</p> <p>5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.</p> <p>5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.</p>	
ETI 6. Working Hours are not excessive	ETI 6. Working Hours are not excessive
<p>6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p>	

<p>6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:</p> <ul style="list-style-type: none"> – this is allowed by national law; – this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; – appropriate safeguards are taken to protect the workers' health and safety; and – The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies. <p>6.6 Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.</p>	
ETI 7. No discrimination is practised	ETI 7. No discrimination is practised
<p>7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.</p>	
ETI 8. Regular employment is provided	ETI 8. Regular employment is provided
<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or</p>	

<p>provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p>Additional Elements: Responsible Recruitment</p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>	
8A: Sub-Contracting and Homeworking	8A: Sub-Contracting and Homeworking
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	
ETI 9. No harsh or inhumane treatment is allowed	ETI 9. No harsh or inhumane treatment is allowed
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	
10. Other Issue areas: 10A: Entitlement to Work and Immigration	
<p>Additional Elements</p> <p>10A.1 Only workers with a legal right to work shall be employed or used by the supplier.</p> <p>10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.</p>	
10. Other issue areas 10B2: Environment 2-Pillar	

<p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> <p>10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.</p> <p><i>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</i></p>	
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SMETA Extra Sections for 4 Pillar Audit:	SMETA Extra Sections for 4 Pillar Audit:
Environment Section	Environment Section
<p>B.4. Compliance Requirements</p> <p>10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.</p> <p>10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.</p> <p>10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements</p> <p>10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.</p> <p>10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.</p> <p>10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details).</p> <p>10B4.7 Businesses shall make continuous improvements in their environmental performance.</p> <p>10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation</p> <p>10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.</p> <p>B4. Guidance for Observations</p> <p>10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.</p> <p>10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p>	
Business Practices Section	

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics







10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

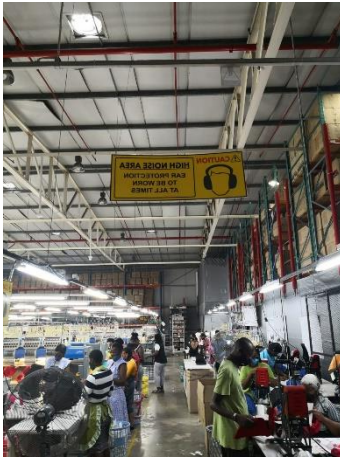
10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented.

Photo Form

		
<p>Site picture with auditor</p>	<p>Reception area</p>	<p>Notice board</p>
		
<p>First aid box</p>	<p>Fire extinguisher</p>	<p>Emergency evacuation</p>



Factory



SHE team list



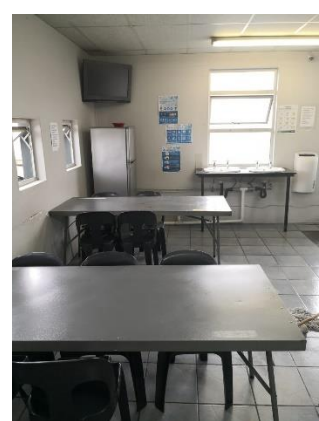
Production in progress



Production area



Production in progress



Canteen



Urinary basin



Sanitary bin




Lockers

CoR 14.3

Certificate issued by the Companies and Intellectual Property Commission on Friday, December 09, 2016 01:10

Certificate of Confirmation


Companies and Intellectual Property Commission
a member of the ds.ges

Registration number2009 / 020129 / 07

Enterprise NameHEADWEAR 24 (PTY) LTD

Enterprise Shortened NameNone provided.

Enterprise Traded NameNone provided.

Registration Date2010/2009

Business Start Date2010/2009

Enterprise TypePrivate Company


Enterprise StatusIn Business


Financial year endFebruary

Main Business/Trade ObjectMANUFACTURE AND DISTRIBUTION OF VARIOUS ACCESSORIES

Postal addressP O BOX 423
KLOOF
3940

Address of registered officeNO 6 CANSTONE PARK
1277 UMENI ROAD
DURBAN
4001


The Companies and Intellectual Property Commission
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P.O. BOX 405 PRETORIA, 0001, Republic of South Africa. Phone: 011 355 7700
Call Centre: 0800 100 3072, Website: www.cipc.co.za




3

Company License-1

CoR 14.3

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COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA

Form COR14.3 - Amended Registration Certificate

Effective date09/12/2016

Print date09/12/2016

Customer codeP12001

Tracking number959902167


Concerning:
HEADWEAR 24 (PTY) LTD 200902012907


The above company has filed an amendment of its Memorandum of Incorporation in terms of section 16 of the Companies Act, 2008, changing the company name from FRONT MAN ACCESSORIES to HEADWEAR 24 (PTY) LTD.

In accordance with the Notice of Amendment of the Memorandum of Incorporation, the change of the company name takes effect on 09/12/2016.

In conjunction with this certificate, the Commission has not issued another notice contemplated in section 12 (3).

Commissioner: CIPC


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2

Company License-2

CoR 14.3

Certificate issued by the Companies and Intellectual Property Commission on Friday, December 09, 2016 01:10

Certificate of Confirmation


Companies and Intellectual Property Commission
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Registration number200902012907

Enterprise NameHEADWEAR 24 (PTY) LTD

Auditor NameDNKA INCORPORATED


NameP O BOX 794
HELLCREST
3650


Designated Auditor NameKADER NASSER

Postal Address

Active Directors / Officers

Surname and first names	ID number or date of birth	Director type	Appoint-ment date	Address
ESSELY, KEVIN GARETH	720030030368	Director	20091004	PO Box 6 CANSTONE PARK, 1277 UMENI ROAD, DURBAN, 4001
AMBLER SMITH, RYAN CHESTER	720071020098	Director	20091004	PO Box 6 CANSTONE PARK, 1277 UMENI ROAD, DURBAN, 4001


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4

Company License-3



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You can leave feedback by following the appropriate link to our questionnaire:

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http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

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[Click here for Auditors:](https://www.surveymonkey.co.uk/r/BRTVCKP)

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