



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC404642140	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS405038926	
Business name (Company name):	Headwear24 (Pty) Ltd			
Site name:	Headwear24 (Pty) Ltd			
Site address:	570 INANDA ROAD UNIT 1 FOSA PARK DURBAN 4037 ZA	Country:	ZA	
Site contact and job title:	Estelle Malan / HR Manager			
Site phone:	27 31 5747020	Site e-mail:	estelle@groupaccounts.c o.za	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2024-02-28			

Audit Company Name:
SGS South Africa

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)			

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 (March 2019) 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.

Auditor Team			
Lead Auditor:	Johan Oosthuizen	APSCA Number:	21704467
Additional Auditors:	Cornie Oosthuizen		32200381
Date of declaration:	2024-02-28		

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.

Site Representation	
Full Name:	Estelle Malan
Title:	HR Manager
Date of declaration:	2024-02-28
Comments: <i>Any exceptions to this must be recorded here (e.g. different sample size): Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020). The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i>	

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic	3.1 3.1 3.1 3.1	§1 §2 §3	4	0	0	NC - ZAF600354150 NC - ZAF600431386 NC - ZAF600431387 NC - ZAF600431388
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid	5.1	§4	1	0	0	NC - ZAF600431389
6 - Working hours are not excessive			0	0	0	
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2-pillar			0	0	0	
10B4 - Environment 4-pillar			0	0	0	
10C - Business ethics 4-pillar			0	0	0	

Local Law Issues

Issue	Description
§1	Occupational Health and Safety Act, 1993 (OHSA), General Safety Regulations, Regulation 2 (Personal Protective Equipment): "An employer shall not permit an employee to perform any duty or enter any area where, in the course of his or her duties, he or she may be exposed to a risk or potential risk to his or her health or safety unless the employer has provided that employee with suitable personal protective equipment, which shall be worn by the employee while he or she is performing such duty or is in such area."

§2	Occupational Health and Safety Act, 1993 (OHSA), General Safety Regulations, Regulation 3 (Emergency Exits and Procedures): "In every building or premises used or intended to be used for the manufacture, processing, or storing of articles or substances, sufficient and suitable means of escape in case of fire or other emergencies shall be provided and maintained... and all such means of escape shall be properly indicated by notices." Occupational Health and Safety Act, 1993 (OHSA), Environmental Regulations for Workplaces, Regulation 9 (Housekeeping): "Wherever there is a risk of employees falling, a notice indicating that risk must be displayed, and where a specific action is required (e.g., maintaining three points of contact), that action must be clearly indicated."
§3	Occupational Health and Safety Act, 1993 (OHSA), Hazardous Chemical Substances Regulations: Regulation 7.2: "Where hazardous chemical substances are stored... appropriate measures shall be taken to prevent spillage and, where spillage does occur, to render such spillage harmless." Regulation 9.1: "An employer who stores a hazardous chemical substance shall... ensure that an up-to-date MSDS... is readily available on the premises for inspection by employees."
§4	Basic Conditions of Employment Act 75 of 1997, Section 23 (Proof of Incapacity): "An employer is not required to pay an employee in terms of section 22 if the employee has been absent from work for more than two consecutive days or on more than two occasions during an eight-week period and, on request by the employer, does not produce a medical certificate stating that the employee was unable to work for the duration of the employee's absence on account of sickness or injury."

Site Details

Site Details			
Company Name	Headwear24 (Pty) Ltd		
Site Name	Headwear24 (Pty) Ltd		
GPS location (if available)	GPS Address:	570 Indanda Road, Newlands West,4037	
	Coordinates:	29°47'41.1"S 30°58'54.2"E	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business Registration: 2022/559628/07 UIF: U490820539 COIDA: 990001201153 VAT: 4040255897 PAYE: 7220775276 SDL: L220775276		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	The site specializes in the manufacturing of various types of hats.		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	The warehouse comprises a single structure divided into three distinct areas. The initial section serves as both the receiving and dispatch area. The second area is designated for the storage of materials and finished products. The third area is dedicated to production activities.		
Structure and number of buildings	Building Name:		Headwear 24 Warehouse
	Floor	Description	Remark
	1	Receiving / Dispatch	1460 m2
	1	Storage area	1740 m2
	1	Production area	1952 m2
	2	Canteen	145 m2
	2	Offices	324 m2
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted.		
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Building plans available for review.		
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		
Months of peak season	April to October		

Process overview	The headwear manufacturing process unfolds through a systematic series of steps, starting with the cutting, crafting, and refining of diverse headwear varieties like caps, bucket hats, beanies, peaks/visors, and multifunctional headwear. This progression then smoothly transitions to the embellishment and branding stage, employing sophisticated techniques such as embroidery, sublimation printing, heat press printing, and the adept application of patches for distinctive designs. The operational base boasts a comprehensive range of machinery, including flat machines, embroidery eyelet machines, and automatic cutting machines. Divided into specific units like the Cutting Room, Beanie Department, Embroidery, Printing, and Finishing, each contributes to the overall precision and quality of the final products. The incorporation of advanced equipment such as the Roland large-format Soljet Pro and DTF Printers, coupled with intricate processes like laser cutting and hat steaming, underscores the facility's capacity to meet the diverse demands of the headwear industry, ensuring a seamless and efficient manufacturing journey from initiation to conclusion.
What form of worker representation is there on site?	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	SACTWU - South African Clothing and Textile Workers Union
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No accommodation provided.

Audit Parameters		
Time in and time out	Day 1	
	In	08:30
	Out	16:00
Audit type:	PERIODIC	
Was the audit announced?	ANNOUNCED	
Was the Sedex SAQ available for review?	Yes	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Estelle Malan / HR Manager	
Is further information available	No	

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	Yes
B: Present at the audit?	Yes	Yes	Yes
C: Present at the closing meeting?	Yes	Yes	Yes
<i>Reason for absence at the opening meeting</i>			
<i>Reason for absence during the audit</i>			
<i>Reason for absence at the closing meeting</i>			

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*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers - male	50	12	0	12	0	0	0	74
Worker numbers - female	211	26	0	30	0	0	0	267
Total	261	38	0	42	0	0	0	341
Number of Workers interviewed - male	9	2	0	2	0	0	0	13
Number of Workers interviewed - female	8	3	0	2	0	0	0	13
Total - interviewed sample size	17	5	0	4	0	0	0	26

Nationalities Structure	
Nationality of Management	South African
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: South African approx %: 84% Nationality 2: Zimbabwean approx %: 10% Nationality 3: Malawian approx %: 6%
Was this list completed during peak season?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Worker remuneration	Workers on piece rate: 0%
	Paid hourly: 82%
	Salaried: 18%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 18%
	Other: 82%
	Details for other: Worker are paid bi-weekly.

Worker Interview Summary	
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	4 groups of 5 mixed male and female.
Number of individual interviews:	Male: 3 Female: 3
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaints were raised during the interviews.
What did the workers like the most about working at this site?	The workers expressed that they have a good working environment and that there is effective communication within the company.
Any additional comment(s) regarding interviews:	None.
Attitude of workers to hours worked:	Workers are satisfied with the hours they work.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:
Workers were positive in the interview process and spoke openly and freely.
Attitude of worker's committee/union reps:
The union representatives expressed that they are satisfied with the audit process, only giving positive feedback about the management and the communication within the company.
Attitude of managers:
Management was very helpful throughout the audit process. All requested information and documentation were provided timeously.

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

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 business has a policy statement covering human rights impacts and issues policy number HR-0014. No adverse human rights impacts were observed. There is a system in place for confidential reporting of violations. Estelle Malan is appointed responsible for implementation.

Evidence examined:

Management and worker interviews
 Facility inspection
 Document review
 Training records

Any other comments:

None.

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The company has a formal policy that ensures all aspects of human rights issues are adhered to.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Induction and annual refresher training is provided.
Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Estelle Malan - Human Recourses manager
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 Please give details: The company has a suggestion box and a grievance procedure that workers reported works well.

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 type="checkbox"/> No
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There is an employee data management policy and procedure available that complies with the Protection of Personal Information Act. Employee information is kept in the HR office in a secure file cabinet.
Measuring Workplace Impact	
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))	Last year 8.0% This year 10.0%
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	10.0%
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year 1.3% This year 1.2%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month)	1.2%
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Accident and incident register in place.
Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year 4.3% This year 2.8%
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)	2.8%

Lost day work cases per 100 workers($[(\text{Number of lost days due to work accidents and work related injuries} * 100) / \text{Number of total workers}]$)	Last year	7.0%
	This year	5.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

0B - Management Systems and code Implementation
[Summary of Findings]

0B: Compliance Requirements

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.3 Suppliers are expected to communicate this Code to all employees.
- 0.B.4 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.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 business operates legally on the premises with the correct business licenses and permissions and all relevant land rights have been complied with. There is a policy document that clearly states the company's position on all related ETI principles and Estelle Malan - Human resources manager has been appointed responsible for the implementation of the code. Principles of the Code are included in the company's induction program. The Code is displayed in the workplace. During the interview process, it was noted that all workers were aware of the Code.

Evidence examined:

Management and worker interviews
Facility inspection
Document review
Training records

Any other comments:

None

Management Systems

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted.
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The company has policies and procedures in place to manage the risk of forced labour policy-0011, child labour policy-0010, discrimination policy-0005, harassment, and abuse policy-0005. Workers reported no incidents related to any of the above-mentioned issues.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	No evidence of violation of these principles in the workplace - as confirmed during worker and management interviews.

Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: It was noted that the managers and workers were aware of all aspects.
If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Training records noted and confirmed during interviews.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted.
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Manager and supporting department noted.
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Estelle Malan - Human resources manager
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There is an employee data management policy and procedure available that complies with the Protection of Personal Information Act. Employee information is kept in the HR office in a secure file cabinet.
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Policy and procedure noted. No areas of risk noted.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessments are conducted annually.
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 Please give details: Risk register noted with corrective actions observed.
Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: As part of agreements with suppliers.
Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site is rented from the holding group with a valid lease agreement in place.

<p>Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: As part of a legal due diligence.</p>
<p>Does the site have a written policy and procedures specific to land rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Not needed as the premise is rented with valid agreement in place. Land rights policy-0015</p>
<p>Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Valid lease agreement in place.</p>
<p>Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: N/A - located in industrial area.</p>
<p>Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: None noted.</p>

1 - Freely chosen Employment
[Summary of Findings]

1: Compliance Requirements

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:

There is policy regarding forced labour. There is a mixture fix term and permanent contracts as the season requires. Employment is entered into voluntarily and it was confirmed during the interview process that no identity documents or savings are kept as a means of preventing workers from leaving the facility. Overtime is voluntary, and workers are free to leave their employment with reasonable notice. Workers were familiar with the terms and conditions of their employment.

Evidence examined:

Policy documents.
Copies of IDs in personnel files.
Contracts of employment – termination clause.
Overtime is voluntary – policy documents and interviews.
Training registers.

Any other comments:

None.

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Workers are free to leave their employment with reasonable notice.
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 Please give details: N/A

<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No restrictions were noted, and this was confirmed during interviews.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>Supply chain assessed when orders are placed.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The company has developed and implemented policies and procedures. No areas of risk noted.</p>

2 - Freedom of Association and Right to Collective Bargaining are Respected
[Summary of Findings]

2: Compliance Requirements

- 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:

The facility has a written policy on freedom of association and collective bargaining. The facility is affiliated with South African Clothing and Textiles Workers Union (SACTWU). A Substantive Collective Bargaining Agreement is in place.
The elected shop stewards participated in the audit.
There were no reports of harassment or discrimination on grounds of union membership or participation in union activities.
The employees reported they were free to meet with their shop stewards and union representatives. They stated that the union leaders negotiated employee wages on their behalf every year.
The facility also has an open-door policy where grievances can be taken directly to the human resources department.

Evidence examined:

Worker interviews.
Document review.
Union meeting minutes.
Collective bargaining agreement.

Any other comments:

None.

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Other	<input type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	SACTWU - South African Clothing and Textiles Workers Union	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Health and Safety Committee, Employment Equity Committee, Open-door Policy.	
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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 Please give details: Offices and the rest area can be used for meetings.
Name of union and union representative, if applicable:	SACTWU - South African Clothing and Textiles Workers Union. Mark Chifundo Wendy Cele
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	N/A
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Workers were aware of who their representatives are.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2023-02-17
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	2.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Meeting minutes were reviewed, and workers could recall issues that they received feedback about, the last meeting noted general housekeeping.
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	100% workers covered by Union CBA. 0% workers covered by worker rep CBA.
If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

3 - Working Conditions are Safe and Hygienic
[Summary of Findings]

3: Compliance Requirements

- 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:

There are systems in place for the management of health and safety in the workplace.
 Estelle Malan is the responsible person for health and safety on site.
 There is a health and safety committee that meets as required by law.
 All health and safety policies and procedures were available.
 All required training and testing have been done and records are kept.
 All records of incidents and accidents are kept on file.
 There are trained first aiders and health and safety representatives on site.
 There were sufficient first aid kits.
 Sufficient firefighting equipment and safety measures are in place.
 Toilet facilities and drinking water is available in the workplace.

Evidence examined:

Health and Safety Risk Assessment.
 Minutes of Health and Safety Committee Meetings.
 Drinking Water Analysis – Municipal Water.
 Legal Register.
 Emergency Management Procedure.
 Evacuation & Fire Plan.
 Occupational Health & Safety Act - 16.1 appointment.
 Occupational Health & Safety Act - 16.2 appointments.
 Occupational Health & Safety Act – various legal appointments
 Permit Work Procedure.
 Health & Safety Policy.
 Certificate of Occupancy.
 Certificates of Competency – First Aiders; SHE Representatives; Fire Fighting.
 List of Chemicals on site and the Material Safety Data Sheets.
 Use of Cleaning Chemicals Training Registers.
 Employee Medical Reports.
 Electrical Certificates of Conformity.
 Visitors Induction Checklist.
 Site Tour.
 Management & Employee Interviews.

Any other comments:

None.

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Policies and procedures were developed according to the risk assessment conducted. All workers are trained on this as part of the induction.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Induction and annual refresher training is provided.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Site information provided upon arrival and PPE is given accordingly.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted – hospitals and clinics are available in very close proximity.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Easy access to first aiders is available.
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Neat and safe storage space has been made available at the facility.
Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessments have been conducted and recommendations have been implemented.
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 Please give details: All required permits shown.

Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?

Yes No

Please give details:

No banned chemicals noted.

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	CLOSED	
Reference	ZAF600354150	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	335 - No canteen facility provided as per local law	
Subcategory	Hygiene Facilities & Housekeeping	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA419793225	
Resolved by audit	ZAA600049173	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	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.	
Explanation to the non compliance	The certificate of acceptability (Canteen - food premises), was not available at the time of this assessment.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	N/A	
Additional comments	Certificate of Acceptability to be obtained from local municipality. It was noted that a Certificate of Acceptability was obtained from local municipality.	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600431386	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate	
Subcategory	Personal Protective Equipment/Clothing	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Occupational Health and Safety Act, 1993 (OHSA), General Safety Regulations, Regulation 2 (Personal Protective Equipment): "An employer shall not permit an employee to perform any duty or enter any area where, in the course of his or her duties, he or she may be exposed to a risk or potential risk to his or her health or safety unless the employer has provided that employee with suitable personal protective equipment, which shall be worn by the employee while he or she is performing such duty or is in such area."	
ETI code	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.	
Explanation to the non compliance	During the audit at Headwear24 on February 28, 2024, in Durban, it was observed that while PPE is provided to employees, there are instances where workers are not utilizing the provided equipment as required. Specific areas of concern include: Dust Masks: Workers in the printing area are not consistently using dust masks. Safety Boots: Employees operating pallet jacks are not always wearing safety boots. Ear Plugs: In high noise zones, the use of ear plugs is not consistently observed. Needle Guards: Sewing machines are not consistently equipped with needle guards to protect the workers.	
Follow up	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	

method		
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	<p>Recommendations for Improvement: Comprehensive PPE Training: Initiate comprehensive training programs emphasizing the critical importance of PPE and proper usage guidelines to safeguard health and safety in the workplace. Monitoring and Enforcement Strategies: Implement stringent monitoring protocols to ensure compliance with PPE usage. Enforce disciplinary measures for non-compliance, underscoring the importance of adherence to safety practices. PPE Accessibility and Comfort: Ensure PPE is readily accessible, comfortable, and suitable for the tasks at hand, encouraging consistent use among employees. Regular PPE Audits: Conduct regular audits to assess the condition and adequacy of PPE, making replacements or upgrades as necessary to meet safety standards. Feedback Mechanism for PPE Concerns: Establish a feedback mechanism for employees to voice concerns or suggestions regarding PPE, facilitating continuous improvement in PPE management and usage. By implementing these recommendations, Headwear24 can enhance PPE compliance, ensuring a safer work environment and adherence to the OHSA requirements, thereby protecting employees from potential workplace hazards.</p>	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600431387	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	261 - Premises require minor repairs that may affect personal safety (e.g. missing handrails)	
Subcategory	Building/Site Maintenance	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Occupational Health and Safety Act, 1993 (OHSA), General Safety Regulations, Regulation 3 (Emergency Exits and Procedures): "In every building or premises used or intended to be used for the manufacture, processing, or storing of articles or substances, sufficient and suitable means of escape in case of fire or other emergencies shall be provided and maintained... and all such means of escape shall be properly indicated by notices." Occupational Health and Safety Act, 1993 (OHSA), Environmental Regulations for Workplaces, Regulation 9 (Housekeeping): "Wherever there is a risk of employees falling, a notice indicating that risk must be displayed, and where a specific action is required (e.g., maintaining three points of contact), that action must be clearly indicated."	
ETI code	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.	
Explanation to the non compliance	In the audit of Headwear24 on February 28, 2024, it was noted that, while some safety signage is present, there are areas where the signage is deemed insufficient for ensuring safety and compliance. Specific areas highlighted include: Emergency Exit Signs: These signs need to be more visible and are also required on the outside of emergency doors to enhance evacuation efficiency. Three Points of Contact on Steep Stairs: There is a lack of signage to remind or instruct on maintaining	

	<p>three points of contact on steep stairs, a safety measure to prevent falls. Prohibition of Use of Compressed Air for Cleaning: Signage prohibiting the use of compressed air for cleaning personal clothing or equipment is insufficient, posing a risk to safety due to potential misuse. Changes in Elevation: Signage to warn of changes in elevation within the facility is insufficient. Maximum Loads on Installed Shelving: There is inadequate signage indicating the maximum load capacity of shelving, which is crucial for preventing overloading and potential collapses.</p>	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	<p>Recommendations for Improvement: Enhancement of Signage for Emergency Exits: Ensure that all emergency exit signs are highly visible, including placement on both the interior and exterior of emergency doors, to facilitate quick evacuation in emergencies. Installation of Safety Procedure Signs: Install signage to promote safe practices, such as maintaining three points of contact on steep stairs and prohibiting the use of compressed air for cleaning, in relevant areas. Warning Signs for Changes in Elevation: Place clear warning signs at all locations where there are changes in elevation to alert employees and prevent falls. Signage for Maximum Load Capacity: Display signs indicating the maximum load capacity on all shelving units to prevent overloading and potential accidents. Regular Review and Update of Signage: Conduct regular reviews of the facility to ensure all signage is up-to-date, visible, and in compliance with OHS requirements, making updates or additions as necessary. By addressing the need for more comprehensive and visible signage, Headwear24 will enhance safety awareness and compliance within the facility, ensuring a safer work environment in accordance with OHS guidelines.</p>	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600431388	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)	
Subcategory	Chemicals	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Occupational Health and Safety Act, 1993 (OHSA), Hazardous Chemical Substances Regulations: Regulation 7.2: "Where hazardous chemical substances are stored... appropriate measures shall be taken to prevent spillage and, where spillage does occur, to render such spillage harmless." Regulation 9.1: "An employer who stores a hazardous chemical substance shall... ensure that an up-to-date MSDS... is readily available on the premises for inspection by employees."	
ETI code	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.	
Explanation to the non compliance	During the audit of Headwear24 on February 28, 2024, in Durban, it was observed that the storage practices for chemicals do not fully comply with legislative requirements. Specific areas of concern identified include: Lack of Secondary Containment: Areas where chemicals are stored lack secondary containment mechanisms to prevent spillage and leakage. No Segregation of Chemicals: Stored chemicals are not segregated according to their classes, increasing the risk of chemical reactions. Absence of Material Safety Data Sheets (MSDSs): MSDSs are not available at the point of storage, limiting access to crucial information on handling and risks. No Spill Kit: There is an absence of spill kits in areas where chemicals are stored, hindering	

	immediate response to spills. No Emergency Eye Wash Station: Emergency eye wash stations are not provided in or near areas where chemicals are stored, compromising worker safety in case of exposure.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	<p>Recommendations for Improvement:</p> <p>Implementation of Secondary Containment: Install secondary containment solutions, such as bunding or spill pallets, in areas where chemicals are stored to contain any leaks or spills. Chemical Segregation: Segregate stored chemicals according to their classes to prevent hazardous interactions, following guidelines for chemical compatibility. Provision of MSDSs: Ensure that MSDSs for all stored chemicals are readily accessible at the point of storage, providing critical information on chemical properties, hazards, and safety measures. Availability of Spill Kits: Place spill kits in all chemical storage areas, equipped with materials suitable for containing and neutralizing spills of the stored chemicals. Installation of Emergency Eye Wash Stations: Install emergency eye wash stations in or near chemical storage areas to provide immediate decontamination in case of chemical exposure to the eyes. By addressing these areas, Headwear24 will enhance its compliance with OHS&A and Hazardous Chemical Substances Regulations, significantly improving workplace safety and health standards in relation to chemical storage and handling.</p>	

4 - Child Labour Shall Not Be Used
[Summary of Findings]

4: Compliance Requirements

- 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:

The company has a policy statement regarding child labour and young workers. No evidence of child labour or young workers observed on the day of the audit during document review and interviews. Adequate systems are in place for verification of age of workers. Copies of IDs are kept on file in office. Youngest worker was found to be 19 years old.

Evidence examined:

Management and worker interviews
Policies reviewed.
Copies of ID documents.
Contracts of employment.

Any other comments:

None.

Legal age of employment:	15
Age of youngest worker found:	19
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
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A

5 - Living Wages are Paid
[Summary of Findings]

5: Compliance Requirements

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:

Effective systems in place for the monitoring of wages and benefits. The company uses a biometric clock-in clocking system.

The wages are paid on time whether being paid bi-weekly or month as confirmed by workers.

The payslips are compliant with legislation and interviews confirmed workers receiving payslips.

All statutory deductions are made and paid over to the relevant bodies.

Benefits are granted in accordance with legislation.

There are no deductions for protective clothing or equipment required for work carried out on site.

There are no deductions for disciplinary fines.

The lowest paid worker is paid R 25.42 per hour.

Evidence examined:

26 payslips and corresponding timesheets from the current and previous year.

Contracts of employment.

Workplace policies and procedures.

Substantive collective bargaining agreement

Any other comments:

None.

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 9.0 Per Week: 45.0 Per Month: 195.0	Actual Per Day: 9.0 Per Week: 43.3 Per Month: 173.2	YES
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 3.0 Per Week: 10.0 Per Month: 45.0	Actual Per Day: 1.0 Per Week: 5.0 Per Month: 20.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 228.78 Per Week: 1143.9 Per Month: 4957.66	Actual Per Day: 228.78 Per Week: 1143.9 Per Month: 4957.66	NO

Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 150 Per Week: 150 Per Month: 150	Actual Per Day: 150 Per Week: 150 Per Month: 150	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
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 Payslips and corresponding timesheets for October 2023 (random), November 2023 (high) and January 2024 (current).		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details:		
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 checked="" type="checkbox"/> Meet <input type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	25.42		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 15.0% of workforce earning minimum wage 85.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Bonuses are dependent on the company's performance. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	UIF [Unemployment Insurance Fund] Tax Union subs		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	UIF [Unemployment Insurance Fund] Tax Union subs		
Please list all deductions that have not been made.	N/A - All deductions made as per legal requirements.		
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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 Please give details: All time reflected.		

<p>Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</p>
<p>If yes, what was the calculation method used.</p>	<p><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 <input type="checkbox"/> Other – please give details:</p>
<p>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 Please give details: Annual reviews are in place.</p>
<p>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>Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Job grading is in place. Men and women performing the same task get paid the same rate.</p>
<p>How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other</p>

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600431389	
Clause	5 - Living Wages are Paid	
Issue Title	417 - Failure to provide workers with legally required leave entitlement (e.g. annual, maternity, paternity, sick leave) - isolated	
Subcategory	Benefits & Insurance	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Basic Conditions of Employment Act 75 of 1997, Section 23 (Proof of Incapacity): "An employer is not required to pay an employee in terms of section 22 if the employee has been absent from work for more than two consecutive days or on more than two occasions during an eight-week period and, on request by the employer, does not produce a medical certificate stating that the employee was unable to work for the duration of the employee's absence on account of sickness or injury."	
ETI code	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.	
Explanation to the non compliance	During the document review in the audit of Headware24 on February 28, 2024, it was observed that the Sick Leave policy includes a provision requiring employees to submit a medical certificate if illness occurs on a Monday or Friday. This specific requirement is also noted in the company policy and was confirmed by both management and employees during interviews.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	Recommended corrective action: Policy Review and Amendment: Headware24 should review and	

	<p>consider amending its Sick Leave policy to ensure it is in full compliance with the Basic Conditions of Employment Act, focusing on the conditions under which a medical certificate may be required.</p> <p>Communication of Policy Changes: Should any amendments be made, communicate these changes clearly to all employees, ensuring they understand their rights and obligations regarding sick leave.</p> <p>Training for Management: Provide training to management and HR personnel on the legal requirements for sick leave and the importance of adhering to these standards to prevent policies that may inadvertently exceed legal mandates.</p> <p>Employee Awareness Sessions: Conduct sessions to raise employee awareness about their sick leave entitlements and any policy changes, reinforcing the company's commitment to fair and lawful employment practices.</p> <p>Monitoring and Feedback Mechanism: Implement a mechanism for monitoring the application of the sick leave policy and gathering feedback from employees on its implementation, ensuring the policy is applied fairly and consistently.</p> <p>By addressing this finding, Headware24 will align its Sick Leave policy more closely with South African labor laws, ensuring fair treatment of employees and maintaining compliance with statutory requirements.</p>	
--	--	--

6 - Working Hours are not Excessive
[Summary of Findings]

6: Compliance Requirements

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:

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 facility makes use of a biometric clock-in system to track working hours of all workers. All employees are remunerated correctly at the correct overtime premiums. Overtime is voluntary and are compensated at a premium rate of 150% for regular overtime and 200% for public holidays and Sundays. The site works a 43.3 hour week.

Evidence examined:

Workplace policies.
Timesheets and corresponding payslips.
Collective bargaining agreement.
Interviews.

Any other comments:

None.

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Biometric clock-in system linked to payroll.
Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
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):	6
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	1 hour overtime per day; 5 hours per week, and 20 hours per month
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Non noted and confirmed during interviews.
Approximate percentage of total workers on highest overtime hours:	5.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Contracts of employment and worker interviews.
Overtime premium	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A - there is no legal requirement to OT premium Please give details: 150% for regular overtime as well as 200% for public holidays and Sundays.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No All overtime is paid at a premium.
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.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements <input checked="" type="checkbox"/> Other

Please give details	N/A
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)
Please give details	N/A
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	N/A
Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

7 - No Discrimination is Practiced
[Summary of Findings]

7: Compliance Requirements

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 are policies in place providing protection against discriminatory practice in the workplace.
There is a policy that covers discrimination.
No discriminatory practice observed during document review and interviews.
There is a grievance policy and procedure.

Evidence examined:

Policy documents.
Grievance procedure.
Sexual harassment policy.
Training records.
Worker committee meeting minutes.
Interviews.

Any other comments:

None.

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 58.0%	Female: 42.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	None noted.	
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"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No discrimination found.	
Professional Development		
What type of training and development are available for workers?	Job related training including health and safety and standard operating procedures.	
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

8 - Regular Employment Is Provided
[Summary of Findings]

8: Compliance Requirements

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:

There is a mix of fixed-term and permanent contracts.
Contracts of employment are compliant with local legislation (Basic Conditions of Employment Act).
Workers are recruited fairly, and all workers said they were aware of their terms and conditions of employment.
All migrant workers have the correct work permits in place and was already in the country when the application of work was made.

Evidence examined:

Contracts of employment.
Policies and procedures regarding recruitment.

Any other comments:

None.

Responsible Recruitment

All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

- Terms & Conditions presented Understood by workers
- Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)

- Yes No

Migrant Workers

Type of work undertaken by migrant workers:

General workers.

Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Is there any observation on this finding?	No deductions made outside of legislated requirements.
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	N/A
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Contractors (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.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A

8A - Sub-Contracting and Homeworking
[Summary of Findings]

8A: Compliance Requirements

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

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

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 work is sub-contracted, and homeworking is not possible due to the nature of the company's business

Evidence examined:

Documents review.
Worker interviews.

Any other comments:

None.

Summary of sub-contracting – if applicable

Is there any sub-contracting at this site? Yes No

Summary of homeworking – if applicable

Is homeworking used at this site? Yes No

Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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 Please give details:

10A - Entitlement to Work and Immigration
[Summary of Findings]

10A: Compliance Requirements

10.A.1 Only workers with a legal right to work shall be employed or used by the supplier.
10.A.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 42 foreign nationals employed at the facility from Zimbabwe and Malawi all workers have valid work permits. All South African workers were over 18 years old and as such have the right to work.

Evidence examined:

Management and worker interviews.
Documents reviewed.
Work permit.

Any other comments:

None.

10B4 - Environment 4–Pillar
[Summary of Findings]

10B4: Compliance Requirements
 10.B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.
 10.B4.2 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.
 10.B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements
 10.B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.
 10.B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.
 10.B4.6 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).
 10.B4.7 Businesses shall make continuous improvements in their environmental performance.
 10.B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation
 10.B4.9 Businesses should have a nominated individual responsible for co-ordinating the site’s efforts to improve environmental performance.
 10B4: Guidance for Observations
 10.B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.
 10.B4.11 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:

There is an environmental policy in place.
 Kevin Naidoo - General manager is responsible for health and safety and environmental issues.
 The SAQ was made available for review
 This site has not been subject to any fines for non-compliance with environmental regulations.
 The facility is located in an industrial zone.

Evidence examined:

Management and worker interviews.
 Documents reviewed.
 Work permit.

Any other comments:

None.

Environmental Analysis

Is there a manager responsible for Environmental issues (Name and Position):

Kevin Naidoo - General manager

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 Please give details: As part of health and safety process.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted.
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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 Please give details: Improvement plans noted.
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None noted.
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Water and waste licenses.
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"/> Not Applicable Please give details: N/A
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 Please give details: As part of aspects and impacts register.
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 Please give details: As part of long term plan.
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Recycling observed during audit.
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 Please give details: Consumption measuring based on billing for water, electricity and diesel.

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A	
Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	96292	24506
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	Local Municipality	Local Municipality
Water Volume Used	4450	2443
Water Discharged	Local Municipality	Local Municipality
Water Volume Discharged	924	651
Water Volume Recycled	0	0
Total waste produced	54876 kg	49587 kg
Total hazardous waste produced	0	0
Waste to recycling	21560 kg	19667 kg
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	2774018	2795120

10C - Business Ethics – 4-Pillar Audit
[Summary of Findings]

10C: Compliance Requirements

- 10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.
 - 10.C.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.
 - 10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.
 - 10.C.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.
 - 10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,
 - 10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics
 - 10.C.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**
- 10.C.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.
 - 10.C.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:

Management aims to trade with good governance. All business practices are conducted transparently, and management was willing to share information and documentation at the first request. A sophisticated system is implemented for supplier approval including communication on requirements from suppliers related to ethical business practices. A Code of Corporate Conduct and Ethics were made available for review.

Evidence examined:

Management and worker interviews.
Policies reviewed.

Any other comments:

None.

Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?

- Internal Policy
- Policy for third parties including suppliers

Please give details:

Policies are available internally and communicated to all employees. Policies pertaining to third parties are communicated to them.

<p>Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Training records reviewed.</p>
<p>Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The policy is updated as and when required.</p>
<p>Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Training records reviewed.</p>



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

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

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

[Click here for Supplier \(B\) members:](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

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

<https://www.surveymonkey.co.uk/r/BRTVCKP>