



Annexure 5

Social Audit Processes

September 2020

1. INTRODUCTION

SIZA is committed to establishing processes to ensure that the SIZA code monitoring and measurement can be carried out in a manner that is consistent with the SIZA Social Standard and Audit Process and Methodology (APM).

2. PURPOSE

To define the requirements & describe the process for each audit process that can be considered under the SIZA scheme and audit programme.

3. SCOPE

These audit processes will be available to all SIZA members however will be dependent on the criteria as captured in this APM, along with additional requirements set out in this Annexure. All audit entities and auditors must be capable and suitable to conduct each of these audit options.

4. SIZA AUDIT PROCESSES:

- ✓ Social Onsite Audit
- ✓ Social Audit with Bridging Period
- ✓ Social Offsite Audit with Follow-Up Onsite Visit

4.1. Social Onsite Audit

This audit process is captured in detail in this document. This process serves as the foundation for the subsequent processes as to ensure all aspects of a full onsite ethical/social audit is met and adhered to, regardless of the process that is followed.

4.2. Social Audit with Bridging Period

Growers can apply to SIZA to issue a bridging letter in between audit periods, to allow them to complete their current season with a valid Audit Completion Letter while doing corrective actions after a new audit was conducted. The need for such a bridging letter is due to operational difficulties linked to the requirement to schedule an audit during peak season given that 66% of the total number of workers (calculated during the busiest time period) are present on the premises.

The audit team will therefore visit the site on two separate occasions over a period of time. The first verification will take place when the minimum requirement of 66% of the workforce is present and once the processing facility is active at a later stage (as soon as possible), the auditor will revisit the sit to complete the necessary evaluation. The audit report will then be sent for review and only be approved if the entire site was audited.

The sole purpose of this bridging period will therefore be to allow the grower to bridge the time between an audit and the completion of his corrective actions until a new Audit Completion Letter will be issued in order to complete harvesting activities.

It is important to note the following before an application is submitted to SIZA:

- ✓ Bridging periods are allocated entirely at the discretion of the SIZA office and are not a right to all members.
- ✓ Consideration and approval of applications will be subjected to and influenced by the members status (Bronze, Platinum etc.) and the audit history.
- ✓ Bridging Letters cannot be used to push the audit date forward.
- ✓ The validity of the previous Audit Completion Letter can be extended for no longer than three months after the new audit was done, in the event that the application is approved by SIZA.

The application to receive a bridging letter will be subject to the following requirement and conditions:

- ✓ A formal request addressed to SIZA must be submitted in writing. Application forms are available from the SIZA office.
- ✓ The request must indicate details of the commodities grown, as well as the seasonality of the products.
- ✓ Reasons must be given as to why a bridging letter is required to extend the previous Audit Completion Letter period.
- ✓ The member must already complete a new audit which is not older than 30 days with no critical findings.
- ✓ The member must have an up-to-date and active SIZA profile, and the membership and visibility fees for the next cycle must be paid in full.
- ✓ The member's SAQ must be up to date and approved by SIZA.
- ✓ SIZA reserve the right to visit and review the farm during the approved bridging period.
- ✓ If a bridging letter was issued and the member fails to conclude the audit corrections in the given timeframes, there will be consequences and he will be penalised.
- ✓ Where a bridging letter is issued, the member will not be allowed to apply for any extension period on audit corrections.
- ✓ The bridging letter will have no effect on the audit date or the validation date of the latest/new Audit Completion Letter.

The buyer to confirm their internal audit frequency requirements to member. While every attempt is being made to get retailer buy-in for the SIZA Audit Frequency Matrix, SIZA cannot override the requirements of retailers.

4.3. Social Offsite Audit with an Onsite Follow-Up Visit

SIZA has a responsibility to members, buyers, and other stakeholders to ensure that the audit process remains credible and adhere to global standards. It is therefore important that regardless of the process followed, all ethical/social audits will only be fully completed once a full scope of the business's fair labour practices could be verified, including an onsite evaluation.

4.3.1. 50% partially offsite audit

The first part of the audit will be an offsite audit review of 50% of the normal audit checklist. A provisional audit extension letter can be issued by SIZA after an offsite audit was conducted which will not be longer than 3 months from date of previous audit validity expiry (relevant Ts & Cs apply). The audit team must be guided by the full document review (as per normal process) via an online system that is accepted by the audit entity's internal- and global best practice models. These online systems must at all times adhere to the necessary privacy and data protection laws as promulgated.

4.3.2. Completion of audits with onsite visit

The second part of the audit must be a follow-up on site visit to review the remaining 50% of the audit checklist as soon as the auditors can access the site, but within the extension period (which is no longer than 3 months). All audits that take place in accordance with this procedure, should be completed in full with an onsite visit. Note that these audits must be completed and cannot be postponed, and extension will not be repeated. Unless the audit is completed in full, no Audit Completion Letter will be issued.

4.3.3. Receive buyer approval

In the event that any auditee/business believes that a remote audit will be necessary, the business will have to ensure their market/buyer will accept the validity of this type of verification as part of the full third-party audit, prior to continuing with the process. *While every attempt is being made to assure retailer buy-in for the SIZA programme, members are urged to verify with their relevant buyers to confirm their audit requirements during this time. SIZA cannot override the requirements of buyers.* The supplier needs to clarify with their buyers before applying for this audit process option.

4.3.4. Monitoring and application

SIZA will meet regularly with relevant contingency committees to ensure all the interests of parties involved are considered and protected. During this process, all parties are expected to maintain the integrity of the SIZA programme.