

SUSTAINABILITY INITIATIVE OF SOUTH AFRICA (SIZA)

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SIZA COVID-19 COMMUNICATION

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1. INTRODUCTION

Following the rapid spread of COVID-19 in South Africa and neighbouring countries, SIZA is taking proactive measures to avoid the spread of COVID-19 and to assist SIZA members over the following couple of months so that they can proceed with maintaining business practices, ethical compliance and environmental assurance as far as possible. It is also important that SIZA communicates a contingency approach to SIZA audits in response to limiting the risks involved.

2. UPDATE: THIRD-PARTY AUDIT PROCESS

Confirmation has been received from third party audit companies, that SIZA Social/Ethical audits will continue as per usual until such time that SIZA informs otherwise, if the need arises. The rules and regulations pertaining to the validity of audits will continue to apply and will in no way be disregarded. Each audit company has put measures in place to ensure audits can continue as per SIZA's Audit Process and Methodology (APM). The rules and measures implemented by each audit company must be adhered to and will be communicated *between the audit company and each individual site during audit scheduling.*

2.1 Third-party audit companies

SIZA will continue to offer members the choice between the current six approved audit companies. SIZA has been in communication with all six audit companies to ascertain and agree upon the necessary protocols to be followed by auditors around audits that need to take place during this disaster period. Strict measures are being taken by each audit company to ensure that auditors minimise and report any potential exposure to COVID-19. *If you require details around these protocols, please contact the audit company of your choice so that they can share it with you.*



Directors: NJ Mudge (Chairman) * A Rabe * M Silandela * KB Liphadzi * A L Snyman * RC Markie * L Nkombisa * K Visagie * SA Nazo

Due to travel restrictions, particularly pertaining to flight travel, SIZA urges auditees and audit companies to ensure adequate arrangements are communicated prior to the on-site audit. The travel restriction could impact the availability of auditors. It is also important to consider the time it may take auditors to arrive at a particular site due to adapted travel arrangements. Please take note that some measures could potentially impact on the availability of auditors.

2.2 Cancellation/postponement of third-party audits

In the event that any auditee/business cancels or postpones an already planned/scheduled audit, it is crucial to note that if and when a new on-site audit is scheduled for a later time, the same regulations and rules (i.e. SIZA APM) will apply.

3. COMMUNICATION

The safety of everyone who forms part of the audit process must be protected during this disaster period. The responsibility of communicating relevant arrangements will fall onto the auditee and audit company. The audit company must adequately inform the auditee of any specific requirements prior to arriving on site and the same will subsequently be expected of the auditee.

4. REMOTE AUDIT/INSPECTION:

The welfare of all our service providers, suppliers and their employees are paramount, and people are a critical resource. As limitations with regards to third-party on-site audits can exist during this disaster period, SIZA, along with the SIZA-approved audit companies, hereby implements the option of an extension period. To qualify for an extension period on the current *valid* audit confirmation letter, a *remote audit/inspection* must be conducted to allow for initial desktop verification of practices in order to protect the integrity of the programme. It is important to note that this option **does not replace** the normal full third-party audit in any way, and these practices will not continue once the disaster period is over. This is just a temporary solution in the event that an audit cannot take place due to the COVID-19 pandemic. Due to the nature of ethical audits and social compliance in general, the viability of such audits is not ideal and therefore will be considered as a last resort to showcase compliance. Applications for remote verification must be submitted to SIZA via email and will be reviewed on an individual case by case basis.

Outcome of the remote audit/inspection: Upon conclusion of the remote audit/inspection, a report will be issued manually, indicating the findings and corrective actions needed. Once all corrective actions have been rectified, SIZA, in conjunction with the audit company, will issue an Audit Extension Letter for a maximum period of up to 6 months.

The details of this process, application forms, and precautionary measures and procedures will be shared with members over the next couple of days. Each audit company will forward the member the details of the data they require to conduct the assessment once a remote audit has been booked and confirmed.

5. SIZA TRAINING SESSIONS

SIZA training has been postponed until further notice. Training videos/clips on operating procedures regarding the new *MySIZA platform* will be shared to all.

6. SIZA PROGRAMME INTEGRITY

We are acutely aware of the significant impact that COVID-19 may have on all of us and our members, and therefore we ask everyone to act in a socially responsible manner during this period. To help prevent the spread of the disease, we encourage staff, members, auditors and relevant stakeholders to adhere to safety procedures and measures in order to protect yourself and those you interact with.

SIZA will, along with relevant contingency committees, meet regularly 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.

While every attempt is being made to assure retailer buy-in for the SIZA programme, members are urged to verify with the relevant buyer to confirm their audit requirements during this time. SIZA cannot override the requirements of buyers.

We wish you all a safe transition over this time.

RETHA LOUW

CHIEF EXECUTIVE OFFICER