SIZA ENVIRONMENTAL

THIRD PARTY AUDIT PROCESS
&
METHODOLOGY

August 2019, Version 1

Contents

List of Annexures:

There are several online reference tools available on the SIZA platform that complement the audit process described above by providing further reference guidelines and templates for carrying out the described process. In addition, the following reference documents are available:

Annexure 1: SIZA Supplementary Audit Information

Annexure 2: SIZA Audit Frequency Matrix

Annexure 3: SIZA Alert Notification

INTRODUCTION

Overview of the audit process

SIZA adopted a third-party audit process to ensure objectivity, consistency and credibility with markets. The environmental audit is not a pass/fail exercise. The purpose of the audit is to identify areas on the site that are non-compliant and require corrective actions and improvement. The aim of the SIZA programme is to support suppliers in ensuring there is compliance and ongoing improvement in environmental practices on their sites. The environmental third-party audit is therefore not a tick-box- exercise and involves proof of evidence. The second-party verification programme drives continuous improvement and is supported to the third-party audit approach. SIZA manages both its second- and third-party audit process through an online platform which aims to create visibility throughout the agricultural value chain, with local suppliers and buyers from international markets.

Involvement of suppliers in the audit process

Suppliers should be involved as much as possible in the audit process.

This can be done by:

<u>Auditors:</u>

- Sharing briefing notes with the supplier explaining the background, process, applicable codes and audit methodology,
- Sharing best practices and giving examples of what best practice looks like against each topic, with practical advice on ways to address common environmental compliance issues,
- Encouraging suppliers to request environmental compliance audits themselves to create continuous improvement and/or to demonstrate their own commitment to environmental stewardship.

<u>Suppliers:</u>

- Ensuring that information uploaded to the SIZA platform is correct and completed in full.
- It is important that suppliers ensure that farms are registered under the correct membership level on the SIZA platform, since it will influence the audit.
- Self-Assessment Questionnaire (SAQ) information must be completed in full and correct.
- PUC codes must be declared on the membership application, otherwise they will be excluded from the audit.
- The distance between sites and the seasonality of the product, must be considered when the level of membership is chosen.
- Only sites with the same management system can be registered under the same multisite profile.
- It is important to know that auditors are required to audit the head office, but also to undertake inspection visits <u>at all</u> of the production sites forming part of the scope of the audit.
- Audits must take place as close to harvest as possible for the auditors to verify as many control points as possible.

Audit Entity (Auditors) vs Consultants

When a **third-party audit** is scheduled by an audit entity, the responsibilities of the auditor are defined and set. The audit entity will assign an auditor(s) to the supplier/site. This auditor will not be allowed to act as a consultant/assessor to the supplier before, during, or after the audit.

The roles and responsibilities of an auditor vs a consultant are as follows:

Auditors

The auditor will audit the site in accordance with the SIZA environmental standard as set out in the Audit Process and Methodology (APM). Any and all findings should be noted and documented on the SIZA platform. Once an audit has started, the auditor should finish the specific audit and follow through with the process. It is important to finish an audit despite the number of critical and major findings on a farm, because SIZA is an improvement process and not a pass or fail exercise. Suppliers have the option to decide not to share the audit data with his/her market.

The only time an audit can be stopped/cancelled after it has already started, is when the supplier demands that the audit be stopped, when the auditor's welfare is in danger, or when the supplier disclosed false information to the audit entity which influences the scheduling of the audit or the physical implementation of the auditors' duties.

Consultants

Consultants may confer with the supplier regarding the audit. The consultant may also advise and guide the supplier before and after the audit. When all the findings have been reported and documented on the SIZA platform, the consultant can assist the supplier in understanding and interpreting the findings. Suppliers should employ consultants at their own cost and not as part of an audit.

The consulting process is therefore an external process between the supplier and the consulting firm/consultant. Neither the auditor nor the auditing entity can take on the role of both consultant and auditor for the same audit process or on the same farm. The role of the auditor and consultant should be clearly defined prior to an audit.

Audit Entity

If an audit entity decides to act as an assessor/consultancy service, this must be managed separately from the audit department and the auditors who act on behalf of SIZA.

SIZA exists in order to eliminate any conflict of interest by ensuring an ethical, honest and transparent process.

Bribery, Corruption and Undue Influence

All auditors and audit entities must adhere to fair and ethical practices during the audit process. SIZA is committed to deal with all parties lawfully, ethically and with integrity. This commitment will not allow any forms of bribery, corruption or undue influence by any party. These practices are deemed as unacceptable and will not be tolerated. All third parties acting in the interest or on behalf of SIZA must abide by this commitment.

Auditors and audit entities must complete due diligence when entering into audit arrangements to ensure no party is subject to undue influence, corrupt practices or attempts of bribery. Audit entities must allow for any declarations regarding possible practices and procedures that might be deemed as unlawful or ethically ambiguous prior to, during, and after an audit. Such practices may include possible undue influence by offerings of gifts, accommodation, transport, food/meals or any other practice that may be deemed as deceitful, exploitation or corrupt practices.

SIZA Environmental Programme Approach

The programme follows a four-step process:

Step 1: Awareness-raising/capacity building initiatives
Step 2: Self-Assessment Questionnaire (SAQ)
Step 3: Third-party audit
Step 4: Corrective actions

1.   RISK ASSESSMENT SYSTEM

A buying company should implement an efficient process to measure environmental compliance and identify risks in its supply chain. This will enable the company to focus on potential key risk areas and direct its verification resources accordingly. Existing risk assessment tools for suppliers include criteria such as: geographical area, suitability of production areas, monitoring the usage and availability of natural resources, identifying and measuring the residues of production activities, nature of production, level of supplier commitment and/or previous verification results. The risk assessment information is provided by the supplier either through a SAQ or through questions asked as part of the commercial relationship.

1.1   Registration on the SIZA Platform

The supplier must register on the SIZA platform. It is important that the supplier choose the right membership level according to the specifications of the site/production facility. Membership renewal is due annually. The pricing structure will depend on the use of the different SIZA modules and on the level of visibility to be provided to the market. The supplier's chosen membership level option will be the base fee, plus add-on modules and current selection options such as SIZA Social and/or SIZA Environmental. The membership fee structure can be found on the SIZA website.

SIZA is a free standing not-for-profit service entity in the agricultural industry. All membership fees are therefore used to create capacity and support through the SIZA office and to enable further development, functionalities and benefits on the data platform and through capacity building programmes.

Once payment has been made, proof of the payment must be sent to SIZA admin to upload it to the profile of the member in order to activate the account or the environmental module. Once all these steps are complete, the Environmental SAQ will be available for completion or annual update.

1.2 Environmental Self-Assessment Questionnaire

The SAQ must be completed by the SIZA member/supplier on the SIZA electronic data platform. The SAQ enables a supplier or employment site to provide information about the employment site, how it manages environmental compliance and its performance against local and international environmental conservation standards. The employment site is asked to respond to a series of questions and provide supporting documentation.

Once completed and submitted on the SIZA platform, the SAQ is evaluated by SIZA for acceptance and the member is duly notified of said acceptance. If rejected by SIZA, the member is notified and must correct the areas indicated and resubmit the SAQ for review. This process must be repeated until the SAQ is approved.

SAQs must be updated annually within 90 days from the annual renewal of the profile. If suppliers lapse to update SAQs, their Audit Completion Letters will no longer be valid. Although suppliers are allocated a Platinum, Gold, Silver or Bronze status after an audit (which is valid for one, two or three years depending on the status), they must renew their membership and update their SAQs annually. One of the conditions of the two- to three-year audit period is that SIZA must monitor whether members maintain environmental conservation practices and standards during that time. SIZA must also review the updated SAQ annually to monitor if anything has changed on the farm during the specified period. If membership is not renewed and the SAQ is not updated annually, visibility on the SIZA, Sedex and GlobalG.A.P. databases will also be compromised, and the audit completion letter cannot be validated.

Once registration is completed and the SAQ is approved, the supplier can request to be audited via the platform. The buying company may then register on the SIZA platform and use it to access the supplier's information to use as a basis for risk assessment.

The auditor must use information from the SAQ in preparation of the audit to focus the onsite investigation on high risk areas.

2. AUDIT REQUEST

2.1 Launching the Audit request

Once the Environmental SAQ has been approved on the SIZA platform, the SIZA member/employment site can submit an audit request through the online system.

Audit entities must make sure that suppliers are active members of SIZA and have an approved Environmental SAQ before they schedule an audit. SAQs must be approved at least 7 working days before the audit takes place.

SIZA will not accept any audits which were arranged through the audit entity without the supplier having an approved SAQ and an active SIZA membership on the platform. Audit entities are not permitted to schedule an audit if it was not initially requested online by the SIZA member. Auditors will not be able to access the supplier's profile on the SIZA platform if the audit was not scheduled online. Audit entities must ensure that they stay up to date with the scheduling of audit requests and that they respond to the supplier as soon as possible.

Once the request has been received by the audit entity, the audit scheduler must assign an auditor and a reviewer to the audit. This is an online process on the platform. The auditor and the reviewer cannot be the same individual, and an auditor cannot audit the same unit successively.

An audit request may be made by SIZA members that may be:

- The employment sites
- The supplier
- The buying company
- SIZA supplier
- Any other party with an interest in the commercial relationship and environmental performance of the employment site. For example, industry or monitoring bodies.

Any company/organisation requesting an audit is termed an 'audit requestor'.

2.2   Pre-Audit Employment Site Profile

The information required to compile a pre-audit employment site profile is generated on the platform. When an audit request is made, the SIZA member will select the audit entity they wish to undertake the audit on their behalf. The SIZA platform will submit this request to the audit entity electronically.

The audit entity will then automatically have access to information relevant to the pre-audit employment site profile, comprising general information about the company, employment site, location, size, environmental management practices and production processes

This information allows auditors to:
- Prepare relevant briefing materials (industry or country-specific)
- Plan the assessment, for example the gender and language capabilities of the audit team members and the required number of auditor days.

Each employment site to be audited will have completed a pre-audit employment site profile as part of their SIZA member profile and SAQ submission on the SIZA platform. The information provided by the supplier should be used by the auditor in collaboration with the information provided to the audit entity when requesting an audit, to make the necessary preparations for the audit and must also be used during audits to focus the auditor on high risk areas.

A pre-audit employment site profile should have two main areas:

1.   Supplier overview (including name of company owning the site, legal status, location, size, production processes).
2.   Employment site details (main production processes, management practices, extent of natural areas).

Where the employment site itself is the audit entity requestor, the auditor should ensure that an agreement is in place with the employment site to allow the audit entity to communicate audit findings and any alert notifications to any customers concerned.

3.   PREPARATION

3.1   Background and Context Review

The audit entity and auditor assigned must be fully aware of the conditions, challenges and issues prevailing in the agricultural sector in South Africa.

The auditing organisation and/or the auditor should be in regular contact with regional conservation agencies which are knowledgeable about the issues which affect the environment in the South African

agricultural sector.

The audit entity and assigned auditor should also regularly gather information on broader issues affecting the environment and the local community from a broad range of sources, including government and regional conservation agencies. This should include an understanding of which agricultural practices pose a risk to the surrounding environment, as well as the minimum legal requirements.

The auditor should have a detailed awareness and understanding of South African legislation and regulatory requirements that apply in agriculture. The auditor should have knowledge of what constitutes operational best practice in the agriculture sector in South Africa.

3.2   Audit Organisation

3.2.1   Audit type

Audits should take place during a period when the employment site is in full operation (such as peak production or harvest).

Audits may be:
- Unannounced (the employment site has no warning of the audit).
- Semi-announced (the employment site is aware that an audit will take place during a given time period, but the actual date of audit is not communicated).
- Announced (at a mutually agreed-upon date).

In all cases, SIZA and the buying company (where this is not a member of SIZA) should clearly communicate its audit policy and process to suppliers and employment sites as part of its commercial terms. SIZA and the buying company's policy may include provision for all three types of audit under certain circumstances.

In the case of a semi- or unannounced audit, the audit requestor, which in most cases may be the buyer, importer, exporter or packhouse, would need to schedule the audit through the SIZA online system and select an audit entity to undertake the audit.

The risk assessment process can be used to influence the type of audit selected. For example, the audit requestor may decide to execute semi-announced audits in all high-risk employment sites. However, other considerations such as the relationship with the employment site should be considered since semi-announced and unannounced audits can negatively impact supply chain relationships.

Unannounced audits

Unannounced audits allow auditors to assess the conditions at an employment site in their normal state, since the employment site has not had the opportunity to make any special preparations. However, there is a risk that the employment site will perceive unannounced auditing as deceitful, that the auditor will not be able to gain access to the facility and that the necessary information and personnel may not be available on the day of the visit to complete the audit.

To minimise these risks, the buying company should clearly communicate its policy on unannounced audits to suppliers and employment sites. The policy should state that:

- Audits may occur at any time on an unannounced basis.
- All employment sites are required to provide both pre-audit and self-assessment information on a regular basis and this information must be accurate.

- Auditors presenting the correct credentials should be allowed full access to the employment site.
- The necessary records should always be kept on the employment site or be readily available (cf. 3.4 Supplier Preparation).

Unannounced audits would need to be requested on the SIZA online system.

To avoid unannounced audits occurring outside of the production period where no workers are present on site, or during periods of inactivity, or where a supplier may be absent from the site, short term notification of the intended audit by the audit entity should be permitted.

<u>Note</u>: Whilst unannounced audits are extremely effective at identifying an accurate picture of environmental management practices at the employment site, and may help uncover high risk issues, it can undermine the relationships along the supply chain, reducing the ability of the buying company to remediate. The experience of many companies indicates that unannounced audits should be reserved for due diligence checks or to investigate specific issues (critical issues suspected, lack of commitment/involvement of the suppliers, suspicion of fraud).

Semi-announced audits

Semi-announced audits reduce the risks to the commercial relationship and increase the ability of the buying company to remediate. Buying companies should clearly communicate their policy on semi-announced audits to suppliers and employment sites. The policy should include the following points:

- The buying company will specify a window during which an audit may take place. Audit windows may range between two weeks and two months.
- All employment sites are required to provide up-to-date and accurate pre-audit and self-assessment information at the beginning of the window.
- Auditors presenting the correct credentials during the audit window should be allowed full access to the employment site.
- The necessary records should be kept at the employment site during the window.

Semi-announced audits need to be scheduled on the SIZA online system.

Announced audits

The right to perform an announced audit should be a normal part of the commercial relationship. However, there is a risk that employment sites may make special preparations for the audit and best practice is to use a mix of announced, semi-announced and unannounced audits to mitigate this risk. Buying companies should clearly communicate their policy on announced audits to suppliers and employment sites. The policy should include the following points:

- The buying company will agree on an audit date with the employment site in advance.
- The employment site is required to provide up-to-date and accurate pre-audit and self-assessment information in advance of the audit.
- Auditors presenting the correct credentials on the date of the audit should be allowed full access to the employment site.
- The necessary records and the concerned personnel should be available at the employment site on the day of the audit.

3.2.2   <u>Audit length</u>

The duration of the site visit shall allow for an opening meeting with site management, complete evaluation of all standard requirements, completion of applicable checks and discussion of results and

corrections to management. The usual duration for the SIZA Environmental site visit is between 3-8 hours. The minimum of 3 hours duration shall apply to the simplest circumstances (one site, no packing facilities, no chemical storage facilities, no natural areas and no invasive alien species). Factors that will increase the minimum of 3 hours are as follow:

- Complexity of production activities
- Chemical storage facilities
- Packhouse
- Extent of natural areas
- Multiple sites and locations.

Multi-Site Audits

There may be instances where a single legal entity owns and operates several production units – particularly in the agricultural sector. The multi-site principle is applied where the organisation and multiple sites are registered as one legal entity and has one management system that is centrally controlled at a head office base.

It is not a SIZA requirement for a legal entity to include all production units as part of the SIZA assessment programme. The legal entity has the responsibility to declare all production units that are required to form part of the SIZA multi-site assessment and register these on the SIZA platform. The legal entity should implement a centralized management system across all production units. Documentation in support of the centralised system will need to be confirmed on the SIZA platform.

However, once all production sites have been declared on the SIZA Platform, these form part of the scope of audit and auditors are required to audit both the head office, as well as undertake inspection visits of all the production sites forming part of the scope of the audit. It is important that all PUCs which form part of the audit be listed on the audit report. If a PUC is not listed during an audit, it will be excluded from the audit and the Audit Completion Letter.

In this case, the audit entity may apply the "multi-site" principle which involves the following:

1. A central systems audit at the company's head office during which company policies and procedures are assessed; environmental authorisation documents/permits are assessed; senior management is interviewed in order to gain an understanding of the working of the organisation as well as to ascertain the level of commitment and awareness from senior management.

2. The legal entity would need to declare the production units to be included in the audit scope based upon risk factors, including distance from the head office, detail and clarity of information submitted on the SAQ per production unit size of the different production sites, type of commodities produced by the production sites, confirmation of implementation of the centralised quality management system across all production sites by the legal entity e.g. internal audits, consideration of any relevant issues raised in the media etc.

3. The objective of the site assessments would be:
   a. To determine compliance with central quality management systems.
   b. To perform site inspections to all the declared production sites under scope of the SIZA platform and to assess legal authorisation for farming activities, handling and storage of chemicals and environmental management practices.

The legal entity may add additional production units before the audit, subject to the submission of an updated SAQ and assessment process for inclusion.

3.2.3   Audit team

The audit should be conducted by a competent environmental auditor, who may be self-employed or be employed by a commercial organisation, NGO or industry body (for example Fruit South Africa). Auditors and auditing entities should be chosen based on:

- Audit training and skills
- Audit experience
- Local and industry knowledge
- Language skills
- Reputation
- Integrity
- Impartiality
- Commitment to improving environmental compliance in the agricultural sector.

To prevent any conflict of interest, the auditor must not have any professional or personal involvement e.g. consulting, shareholding, and ownership, or family ties to or with the employment site.

The audit entity undertakes to ensure that due diligence measures are exercised to ensure impartiality.

3.2.4   Audit Frequency

Whilst it is acknowledged that the objective of the SIZA programme is to promote improvement and thus not focus on the audit, it is also acknowledged that the audit process has an important role to play in the overall success of the program, and is also recognised as an important tool in measuring and defining the improvement that has taken place.

It is also acknowledged that the audit is regarded by brand owners, retailers and buyers around the world as an important part of their own internal due diligence processes and by which they can identify and manage risk.

The SIZA programme therefore seeks to address both of these components through the application of a risk-based audit rating matrix which offers the opportunity for those suppliers that achieve a low-risk rating to benefit from a maximum of a three year audit frequency whilst still ensuring technical robustness through the application of increased frequency for suppliers that have a higher risk rating. In other words, audit frequency is directly related to risk rating.

Further details on the audit frequency is available in Annexure 2.

3.3   Communicating the Audit Arrangements

3.3.1   Information for the Employment Site

The audit entity should communicate the following information to the employment site at least two weeks before the audit. This should be communicated in writing and in the relevant local language.

- Confirmation of receipt of the Pre-Audit Employment Site Profile as completed on the SIZA online platform and any further information required from the employment site.
- Information about the code of conduct against which the employment site is being audited and SIZA's approach towards environmental compliance.
- Information about the alert notification when a critical non-compliance would be identified.

- Introduction of the audit team.
- The audit agenda including:
  - Timetable
  - Topics to be covered
- Key personnel invited to participate in the audit, including but not limited to:
  - Management
  - Environmental Officer
- List of documents that the employment site will need to make available to the audit team on the day of the audit, including:
  - Environmental management plans
  - Company policies
  - Invasive Alien Plant (IAP) clearing plan
  - Legal compliance documentation/permits (where applicable)
    - EIA and ploughing permits for cultivation of virgin soil
    - Water use registration
    - Registration of water storage
    - Dam safety certificates
    - Authorization permits for any on-site waste management facility
    - Fire permits
    - Permits for the cultivation of invasive alien plants
  - Records of planting material
  - Soil and crop sample records
  - Water sample records
  - Irrigation records
  - Fertilizer program
  - Evidence that procedures are followed
  - Training records
  - Machinery inspection/service logs
  - Electricity and fuel records

3.4   Supplier Preparation

Employment site management should ensure that:
- A member of senior management (on the farm), who will participate in the third-party audit process, attend SIZA Environmental Pre-Audit training before the day of audit, during which they will receive information *inter alia* on SIZA's approach to third-party audits (processes and methodology), the SIZA environmental standard and the third-party audit checklist.
- Documentation is available on the day of the site visit. This includes information and documents that are usually stored at another location (e.g. a central office where environmental management plan and legal documentation is kept).
- Relevant personnel are at the employment site on the day of the site visit.
- Supervisors and managers are instructed to allow unobstructed access to auditors.

3.4.1   Information for Workers/Employees

Clear information about the audit should be communicated to workers by the employment site, explaining the purpose of the visit and the process. This information should be available in the principal languages spoken by workers and should include:

- Purpose and scope of the audit
- Introduction to auditors and their role (emphasising they are independent and external).

Sample Communication

On *(insert date)*, representatives from *(insert audit entity)* will be visiting *(insert employment site name)* to assess the environmental management systems of the business. The representatives will be looking at the following areas:
• Management systems
• Responsible management of waste
• Soil management practices
• Control of invasive alien plants
• Water-use efficiency
• Reducing greenhouse gas emissions
• Pollution prevention
• Conservation of biodiversity and ecosystems

If you would like to get in touch with the representatives from *(insert audit entity)* to discuss the audit or any other issues, please do not hesitate:

(Insert contact details of audit entity)

4. AUDIT EXECUTION

The audit should include the following:
- Opening meeting
- Employment site tour (and optional perimeter survey)
- Management interviews
- Document review
- Review of corrective evidence from previous non-conformances to confirm corrective clear-out
- Audit team pre-closing meeting
- Closing meeting, including summary of findings
- Agreement of findings

This chapter sets out best practice for each step of the audit.

4.1 Opening Meeting

The opening meeting must be conducted in the language spoken by management. It should be attended by relevant people including:
- Senior management.
- Managers responsible for key environmental and production functions.

This should be formally presented in a format agreed upon with the audit requestor to ensure the audit requestor's perspective is clearly communicated in an appropriate tone.

In the opening meeting, the audit team should:
- Introduce the audit team.
- Explain the purpose and scope of the audit, including:
  - Potential benefits to the employment site (opportunity for management to identify and manage risk, opportunity to engage in continuous improvement, opportunity to meet customer needs etc.).
  - Clarify that the purpose of an audit is continuous improvement.
  - The standard against which the audit will be conducted (code of conduct, applicable law, international law, collective agreement when relevant, whichever affords the highest level of protection).
- Explain that the minimum requirement is transparency.
- Explain that no attempts to undue influence any party will override the objectivity of the process and integrity of the auditor.
- Outline the audit process.
- Review the information provided in the pre-audit employment site profile (including previous corrective action report and follow-up actions).
- Confirm any special arrangements/precautions required for the employment site tour.
- Confirm permission to take photographs.
- Agree on a process for communicating issues as they arise during the audit. It is best practice to communicate issues as they arise to build consensus around findings and corrective actions and allow management to:
  - Provide additional evidence where necessary.
  - Address issues immediately.
- Confirm the importance of attendance at the closing meeting and ensure that all key personnel can attend.
- Provide an opportunity for questions and to address concerns.

4.2   Employment Site Tour

4.2.1   Process

The purpose of the employment site tour is to enable the audit team to observe the physical conditions and current practices in all areas of the employment site and to form a view of how physical conditions measure up to the audit requestor's policy, applicable codes of conduct, legal and regulatory requirements and any other requirements. The findings from the tour will be concluded with evidence from management and document review.

As a general principle, the auditor should be able to visit all the areas of the employment site and should set the pace of the tour. However, in some cases, employment sites may prohibit visitors from walking unaccompanied through employment site production areas or forbid photography for reasons of safety or commercial confidentiality. The auditor should note restrictions on access or photography in the audit report, and if restrictions seem unreasonable should escalate according to the audit requestor's policy.

Auditors should make every effort to ensure production is not disrupted during the employment site tour, whilst ensuring that they are able to view the production area during busy production periods. It should be possible to move around the site without delaying or halting production.

The ability of management to continue production at the site during a visit is crucial to gaining an accurate idea of working conditions and to securing management co-operation for the remainder of the visit. Auditors should keep this in mind during the site tour.
In order to achieve this, the auditor should for example:
- Ask that they be accompanied by only one or two people; usually the site or environmental manager.
- Be aware of site traffic.
- Avoid walking where workers are trying to move or transport product from one area to another.

The audit team should walk around the employment site, production areas, storage rooms, dispatch areas, all other areas with managers in order to:
- Understand the work done at the employment site.
- Evaluate good environmental management practices.
- Identify potentially vulnerable areas for pollution/ environmental degradation
- Note other physically observable evidence that relate to other areas of the standards.
- Cross-check whether all processes necessary for the production of finished produce are carried out in-house, at the employment site or whether there are indications that some operations may be sub-contracted to other units.
- Observe management systems and practices, including atmosphere between management and workers.

The auditor/audit team should raise issues as they arise during the employment site tour, giving managers the opportunity to seek clarification, respond, and provide explanations or further evidence.

The auditor should focus on:
- Fire equipment and emergency equipment
- Machine protection and maintenance
- Accidental spillage procedures

- Hazardous substances storage, handling and disposal (filling points)
- Storage of fuel
- Waste management (recycling and disposal)
- Quality records
- Display of codes of conduct
- Sewage and wastewater management
- Protection of natural areas
- Risks of soil erosion
- Invasive alien plant growth
- Buffer zones adjacent to natural areas
- Conservation and restoration practices

4.2.2 Optional perimeter survey

A perimeter survey can be useful to provide supplementary information about the employment site and its local context and to identify specific risk issues (see section 3.1).

The perimeter survey should focus on:
- The surrounding environment (e.g. industrial park, neighbourhood, business district, etc.) and its advantages/constraints.
- Water resources.
- Other facilities located on the employment site property (e.g. water treatment vs. external water discharge).
- The physical construction and natural extend of the employment site (e.g. structures on the property, natural/conservation areas, natural water sources, areas of waste disposal, etc.).
- Other production units within the employment site property which are not part of the scope of the audit.

4.2.3 Management Interviews

The audit team should work through the relevant code discussing each issue area in depth with the managers. Open questions and discursive interview techniques should be used. It is important to talk to the senior managers, but also assistant managers who may have a different perspective.

4.4 Document Review

4.4.1 Document Sampling

The documentation requested by the auditor should be available on-site, including management systems, machinery maintenance, record keeping and training documents.

The auditor should go through a comprehensive document trail including the following (please note that this is not an exhaustive list):
- Environmental management plans
- Invasive alien plant clearing plan
- Company policies
- Legal compliance documentation / permits

- EIA and ploughing permits for cultivation of virgin soil
- Water use licences
- Dam safety certificates
- Authorization permits for any on-site waste management facility
- Membership of fire protection agency
- Management plan or legal document formalising the conservation of biodiversity within natural areas
- Permits / authorisation letters for the growth of invasive alien plants

- Training records
- Records of planting material
- Fertiliser records
- Pesticide / spray records
- Water records
- Waste records
- Proof of soil and water samples
- Proof of conservation and restoration
- Farm maps

Emphasis should be placed on evidence that there is a systematic approach to managing all aspects of the relevant code.

4.4.2   Document Inconsistencies

Inconsistencies between different types of documents and practices should be raised with the employment site management as early as possible during the audit. Management should be encouraged to provide accurate records which present the full picture of the employment site's operations for review prior to the closing meeting.

4.5   Alert Notifications

Where a critical non-compliance is identified, the auditor should inform the audit entity immediately of said critical status. The audit entity should formally communicate the critical non-compliance to the audit requestor and submit the alert notification on the SIZA platform within 24 hours so that agreement can be reached on the status and action to be taken. Based on this decision, the audit entity, SIZA, the audit requestor, and the employment site can then work together to plan an appropriate and timely resolution to the issue.

If an auditor believes they might be at risk as a result of communicating a critical non-compliance, the audit team should wait until it is removed from that situation before issuing the alert notification.

A description of how to evaluate non-compliances can be found in paragraph *4.6.1 Non-compliances, Observations and Good Practices Evaluation*.

Examples of critical non-compliances can be found in the tables in *4.6.1.1 Categorisation Examples.*

4.6 Audit Team Pre-Closing Meeting

The audit team, where applicable, should meet before the closing meeting to discuss the findings of the audit (document checks & employment site tour) and identify inconsistencies, non-compliances, observations, and good practices. The analysis of evidence gathered is a prerequisite to the closing meeting. It must be completed even if the auditor is alone at the employment site.

The audit team should prepare for the closing meeting by identifying and agreeing:

- Non-compliances found including:
  - Their status/severity (critical, major, minor).
  - Specific evidence found.
  - Recommended corrective actions, how these can be verified, and a suggested timeframe for completion.
- Systematic problems and issues from once-off, isolated, non-systematic issues.
- The root cause of problems, where possible.
- Good practice examples.
- A prioritisation of issues.
- Any requests for additional information or evidence.

The reference Summary of Findings and Corrective Actions has been designed to provide a structure to the audit team's findings and help the audit team develop a corrective action plan and structure a closing meeting.

The reference Summary of Findings and Corrective Actions includes:
- Audit findings: summary of non-compliances, good practices, and evidence found.
- Classification of non-compliances.
- Reference to the applicable code of conduct and/or law which has been contravened.
- Recommended corrective actions: auditors suggestion on how the audit findings can be resolved.
- Person/party responsible for corrective action.
- Verification method:
  - A desk-based follow up may be used to verify corrective actions for minor non-compliances but provide less assurance than a follow-up audit. Desk-based verification should check corrective actions through photos, copies of certificates, invoices, etc. submitted by the employment site.
  - Follow-up audits are recommended for critical or major non-compliances, or when corrective actions can be evaluated only through interviews and extensive documentation reviews (see section 5.4.1 for guidance on conducting follow-up audits)..
- Timescale for completion: the amount of time required for the issue to be closed. The time allocated for corrective actions to be completed should be appropriate, realistic and timely.

The Summary of Findings and Corrective Actions should:
- Be clearly described and presented in English
- Be distributed as follows:
  - One original, signed copy for the employment site manager
  - A second original, signed copy retained by the auditor together with other audit documentation.

- A hard or soft copy to the audit requestor.

4.6.1   Non-compliances, Observations and Good Practice Evaluation

Auditors should classify non-compliances, observations and good practice examples to indicate the relative importance of each. Follow-up audits are recommended for critical or major non-compliances, or when corrective actions can be evaluated only through extensive documentation reviews (see section 5.4.1 for guidance on conducting follow-up audits)

Non-compliance can be categorized as:
- Minor non-compliance
- Major non-compliance
- Critical non-compliance

Auditors can also note observations, recommendations and instances of good practice.

Non-compliances and observations should be classified according to:
- The frequency of the problem and whether the issue is an isolated occurrence.
- The potential severity of the problem.
- The probability of recurrence.
- The management system in place.
- The response of the management.

A minor non-compliance is:
- An occasional or isolated problem.
- An issue which presents a low risk to workers/those on-site and the environment.
- A policy issue or misunderstanding where there is no evidence of a material breach.

A major non-compliance is:
- A breach which represents a danger to workers/ those on-site and the environment.
- A material breach of a code requirement/ law.
- A systemic violation of a code requirement/law.

A critical non-compliance is:
- An issue which presents imminent risk to the environment or constitutes a significant breach of environmental legislation, and/or;
- A major non-compliance that has not been addressed or for which no significant improvement has been made by the time of a follow up audit, despite supplier commitment to resolve the issue.

Critical non-compliances include:
- Inconsistencies between different types of documents and environmental practices (see section 4.4.2).
- Causing pollution to natural resources, which have an effect on human health.
- Cultivating pristine natural areas/virgin soil without the necessary authorisation.
- Evidence of the deliberate provision of false information to auditors so as to disguise the degradation of environmental conditions.

Critical non-compliances should trigger an alert notification (see section 4.5).

A recommendation is:
- The identification of an opportunity for improvement.
- A possible issue which may develop into a non-compliance without further action.
- An issue which the auditor has some evidence to indicate may be present, but is not confirmed by more than one data point.

Recommendation can be made on the following good environmental management practices which form part of the scope of the SIZA Environmental Standard:

- Calculating water-use efficiency per crop.
- Calculation of greenhouse gas emissions (carbon footprint).
- Making use of technology such as soil probes to improve irrigation practices.
- Making use of renewable energy resources (e.g. solar, hydro, wind or biofuel).
- Implementing a plan to reduce the usage of synthetic chemicals.
- Collaboration with Water User Associations and/or Catchment Management Agencies
- Soil health improving practices (e.g. cover crops, mulching, organic compost & returning crop residues).
- Measurement of soil organic carbon.

A good practice example is:
- An issue that the auditor feels is over and above the standard against which the employment site was audited.

The auditor must be able to justify his/her classification with detailed evidence.

4.6.1.1 Categorization Examples

The below provides guidance on how to categorise different issues as good practice or minor, major or critical non-compliances. **The list is not exhaustive but should give an indication of how various issues should be considered in light of the reference guidelines and the reference code. These examples are for illustration only; auditors should still use their discretion when classifying non- compliances.**

Management Systems	
Good Practice	Employment site's environmental policies and procedures are regularly reviewed and updated and are in line with risk assessments.
	Employment site appointed a senior representative for the implementation and management of the environmental management policy.
	Employment site developed a comprehensive Environmental Management Plan that outlines day-to-day operations and activities.
	Employment site undertook an integrated risk assessment of the business's environmental impacts.
Minor Non-Compliance	The employment site's environmental management policies and procedures have not been communicated to workers and relevant stakeholders.
	There are no relevant written policies or procedures at the employment site, but working practices are in line with local legislation and the SIZA standard.

	There is no annual review of the environmental risk assessment.
	There are no environmental policies and procedures in place at the employment site, and conditions are not in line with local legislation and the SIZA standard.
	There is no system in place to monitor and assess the site's environmental impacts
	There is no person responsible/appointed for communicating, implementing and checking compliance against ethical code requirements.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Waste Management	
Good Practice	There is a record keeping process in place to measure and identify all waste streams at the employment site.
	Storage facilities for waste is in line with minimizing negative impacts on the environment.
	Employment site developed a waste management plan that is in line with avoiding any risks to humans and the environment.
	There is evidence of a reduce reuse, and recycling system in place that is annually reviewed and approved upon.
Minor Non-Compliance	Farm is in possession of a waste management plan, but minimal recycling is implemented.
	Employment site is in possession of a waste management plan, but measurable waste reduction targets are not set to drive improvements
Major Non-Compliance	Employment site is unaware of waste sources that is being produced on site.
	Unsanitary/unhygienic storage of/handling of waste/rubbish/wastewater.
	No/inadequate management awareness of legal requirements for the management of waste i.e. duty of care.
	Disposal of empty chemical containers is not according to regulations.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Soil Management	
Good Practice	Soil samples are taken periodically (at least once every three years).
	Areas that are prone to salination, compaction and erosion are identified.
	The employment site has a robust management system in place, which ensures that there is no degradation of soil due to erosion and compaction.
	Crop rotation is used where applicable as a soil health management practice.
Minor Non-Compliance	Soil samples are not analysed by an accredited laboratory.
	The employment site has no formal policy on the management of agricultural soil.
Major Non-Compliance	Records of soil and crop samples are not being used to adjust the integrated crop protection and nutrient management plan.
	The employment site does not have any management system in place to prevent the degradation to soil.
Critical Non-Compliance	Where the ploughing of virgin soil occurs, employment site is unable to provide proof of authorization for a listed activity
	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Control of Invasive Alien Plants	
Good Practice	There is no cultivation of Invasive Alien Plants (IAPs) on the premises or the necessary permits are allocated to the employment site for the cultivation of these species.
	Relevant staff is effectively and regularly trained in the safe/appropriate clearing methods and techniques.
	The employment site has a robust management system in place to control or manage the infestation of IAPs.
	Mountain catchment and riparian areas are prioritized for IAP clearing where applicable.
Minor Non-Compliance	Employment site is unable to demonstrate any knowledge of relevant IAP species that is on the farm.
	IAP clearing plan does not contain a map indicating areas of IAP growth,
Major Non-Compliance	The employment site does not have any management system in place to monitor, control or eradicate IAPs.
	Restricted activities regarding the control or cultivation of IAPs is rolled out without the necessary authorization/permits.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.

	False records were provided to the auditors or management refuse to give true records to auditors.

Water Management

Good Practice	Water samples are taken annually at a sample of abstraction (source) and outflow points.
	The employment site has a robust management system in place to monitor water quality and to increase water-use efficiency.
	Water consumption is measured at major water consumption points.
	Water Use Efficiency (WUE) per crop (L/kg) is measured and targets per crop/site are monitored to drive continuous improvement.
Minor Non-Compliance	Water samples are not analysed by an accredited laboratory.
	The employment site has no formal policy on the management of irrigation and drinking water.
Major Non-Compliance	Water is abstracted from a source without the necessary registration or authorization.
	Results of water samples are not incorporated into water management plan where the quality of water is not according to standard.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Reduce Greenhouse Gas Emissions

Good Practice	Employment site has a data collection tool in place to record all direct energy usage (fuel and electricity).
	Employment site calculated their carbon footprint, by using a carbon calculator (e.g. Climate Fruit and Wine).
	Energy efficiency targets are in place and monitored annually against baseline to ensure maximum efficiency.
	Results of carbon footprint/direct energy records are incorporated into energy management plan.
	Employment site invest in renewable energy solutions.
Minor Non-Compliance	Employment site fails to prove that they take measures to ensure energy efficiency (e.g. maintenance of equipment).
	Employment site does not regularly monitor direct energy usage.
	Energy management plan does not contain targets for energy reduction.

Major Non-Compliance	Employment site is unaware of their direct energy usage on site.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Prevent Contamination	
Good Practice	Products used for farming activities are selected appropriately and decisions on application measures are in line with minimizing negative environmental and social impacts.
	Measures are taken to prevent water and soil contamination as a result of run-off chemicals, minerals and organic substances.
	Relevant staff are effectively and regularly trained in the safe and appropriate handling of agrochemicals and fuels.
	Measures are taken to protect workers/neighbours and prevent environmental contamination as a result of the storage and use of fuel, chemical and/or other hazardous products.
	Measures are taken to prevent crop disease crop contamination.
	There is evidence of compliance with prohibited chemicals list for crop production and crop protection products as per international and industry norms & standard.
	Measures are taken to protect non-target areas and crops from agro-chemical usage.
	Measures are taken to prevent using untreated sludge and untreated sewage sludge in the block/field.
	A holistic fertilizer programme is in place that is suitable for the crop and conditions, and is reviewed annually and adjusted for improvements.
Minor Non-Compliance	Equipment in nutrient management, crop protection and agro-chemical practices are not annually calibrated and maintained at a level to ensure efficiency of application.
	Filling points are not according to SANS 10206:2010 regulations.
Major Non-Compliance	No training on safe use and/or safe handling of chemicals. Unsafe practice when handling chemicals.
	Chemical and fuel products are not stored in accordance with SANS 10206:2010 regulations.
	Employment site is unable to provide evidence of implementing integrated pest management practices.

	Employment site do not take the necessary precaution measures to prevent pest resistance.
	Employment site applies chemicals that is not authorized in the country of use for the target crop.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Restore and Conserve Natural Ecosystems	
Good Practice	The employment site has a robust environmental management plan which outlines how to manage the different areas accordingly to ensure conservation of areas of critical ecosystem functions.
	There is evidence of a biodiversity assessment undertaken for the farm that identifies important water source areas, critical vegetation types, important flora and fauna species in the natural and productive areas.
	There is a policy-level commitment to conserve all pristine natural areas including riparian areas, wetlands, seep zones and all vegetation types currently and in future.
	The employment site is in possession of a farm map indicating areas of high risk and priority areas for restoration and/or conservation activities.
Minor Non-Compliance	There are no relevant written policies or procedures at the employment site, but environmental practices are in line with local legislation and the SIZA standard.
	Results of biodiversity assessment is not captured on a map.
Major Non-Compliance	There are no policies and procedures in place at the employment site, and conditions are not in line with local legislation and the SIZA standard.
	Areas with a biodiversity conservation value are not conserved.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

4.7   Closing Meeting

The purpose of the closing meeting is to go through the findings, agree on them and to   agree on a corrective action plan which sets out areas for improvement, actions and timeframes. Corrective actions should focus on long term sustainable solutions which take account of the root cause of any problem. This meeting should involve all those attending the opening meeting and should:

- Reconfirm the purpose of the assessment.
- Recognise good practices.
- Agree on any non-compliances.
- Suggest corrective actions, timing, and responsibility (with management).
- Record non-compliances which can be corrected immediately.
- Answer any questions management may have.
- Explain when the full report will be completed and who it will be sent to.
- Get sign-off on the Summary of Findings and Corrective Actions by both auditor and employment site.
  - A copy of the corrective action plan (CAPR) should be left with management.
  - The corrective actions should include a timeframe for completion and the type of verification needed.
- If the Summary of Findings and Corrective Actions are not agreed upon, the auditor should leave a copy with the employment site and report disputed points to the audit requestor, copying the employment site.
- Auditors should not change their opinion on findings after the CAPR has been discussed and signed off. If they want to check some facts/legislation after the audit before they issue the final report, they have to convey the message as such to the supplier during the closing meeting.

5.   AUDIT OUTPUTS

5.1   Audit Reports

The context, findings, issues and actions against each area of the audit standard used should be reported to the audit requestor.

The audit report must be completed online on the SIZA platform and must be written in English to ensure that it can be shared with various stakeholders, as well as in the language of the management wherever this is possible. The report should be published on the SIZA platform to the audit requestor within 10 business days of the audit.

For each provision of the audit standard, the report should set out:
- Description of the current situation, including how specific requirements are managed by the employment site.
- Provide evidence and information to substantiate the findings.
- For each non-compliance or observation, the report should provide a:

  - Description of the non-compliance or observation, its frequency and areas affected.
  - Evidence found to substantiate this.
  - Classification to applicable law, code of conduct, etc.
  - Recommended corrective action with a timeframe for completion, responsibility and verification method required.
  - Keeping in mind that the Audit Report is visible to global markets it is important to make sure it is well written and without spelling and language errors.

  The report should include photos of the employment site
  such as:
- Best practices which can be photographed
- Non-compliances which can be photographed
- Storage of fuel and agro-chemicals
- Filling points for chemical sprayers

- Waste disposal facilities (including storage areas)
- Buffer zones adjacent to biodiversity priority areas.

5.2   Long term Improvement Plans

Improvement plans must be uploaded to the SIZA platform under the section for Improvement Plans so that implementation can be monitored. Monitoring must be done by the SIZA office in conjunction with the audit entity. In cases where suppliers do not adhere to the improvement plan submitted, their Audit Confirmation Letter will be cancelled.

5.3   Information Management

The audit reviewer should complete the review and the audit must show "approved" on the SIZA platform within 5 business days after the completion of each audit report. The platform will facilitate the publication of the following documents which will be available to the audit requestor/SIZA member:

- The Pre-Audit Employment Site Profile
- The completed audit report, including photos
- Summary of findings and corrective actions

Supplementary documents such as the following will need to be sent by the audit entity to the audit requestor:
- Supplementary audit information where applicable
- Copies of any alert notification that were issued during the audit.

The auditor or audit organisation should:
- Be available after the audit to further clarify or explain decisions and ratings to the employment site and or audit requestor as needed.
- Have an appeals procedure should the employment site or audit requestor challenge one of the findings and in case of any complaint by the employment site against the auditor.

5.3.1   Audit Records

All documents, handwritten notes, signed Summary of Findings and Corrective Actions and audit reports should be retained by the audit entity for reference for at least three years after the audit until the Audit Confirmation Letter expires.

It is recommended that the auditor retain copies of at least the following documents:

- Official documents on legal status
- Environmental Management Policies/Plans
- Payroll sample (at least in blank format)
- Environmental risk assessments of employment site
- Evidence relating to non-compliances, wherever possible.

If copying facilities are not available, auditors may photograph these documents.
All data and privacy laws prohibiting copies being made of certain documents should be respected.

5.4   Audit Follow-up

The audit follow-up focuses on the corrective actions agreed during the audit and closing meeting.

- The auditor will be responsible for verifying whether actions have been taken and recording verification of actions.
- For corrective actions where desk-based verification is adequate, the auditor will review evidence submitted (see section 4.6).

5.4.1 Follow-up Audits

Follow-up audits are recommended for critical or major non-compliances, or when corrective actions can be evaluated only through interviews and extensive documentation reviews. If an auditor, as part of the triangulation of evidence process, deems it pertinent to interview a specific employee with regards to a specific practice on the site, the auditor may request such interview to take place during the course of the audit.

- A full follow-up audit should include a full review of all areas of the standard audit process, including the complete re-sampling of documents, conducting interviews and the employment site tour. The auditor should focus on identifying changes which would address issues raised in the initial report, but also investigate potential additional issues. This must be undertaken by a lead auditor.
- A partial follow-up audit does not include a full review but only focuses on the issues identified in the corrective action plan. This can be undertaken by an associate auditor.

Follow-up Audit Guidance:

- The audit should be carried out once the deadline for addressing all the issues has passed.
- Follow-up audits generally take place within six months of the date of the initial audit.
- A follow-up report should be issued. This is an updated version of the original report, with all new issues and updates to previous issues clearly highlighted.

- For all sections where non-compliances have previously been raised, there should be a clear explanation of the evidence reviewed, comments on applicability and effectiveness and whether the issue is now considered closed or remains open.
- Improvements should be mentioned even if the non-compliances are not fully corrected.
- If new non-compliances are found, these should be recorded and marked as "new" and should be reported in as much detail as they would have been in the initial report.
- A desk-based follow-up may be used to verify corrective actions for minor non-compliances but provide less assurance than a follow-up audit. Desk-based verification should check corrective actions through photos, copies of certificates, invoices, submitted by the employment site.

Desk-based verification cannot be used where actions need to be verified through worker testimony.

5.5   SIZA Audit Confirmation Notice

When the audit process has been completed in full, evidence of all required corrective actions and evidence need to be uploaded on the SIZA platform by the SIZA member/employment site/supplier for the audit entity to verify and sign off in the given period specified on the online platform by the audit entity.

Only once desktop and site verification (where required) have been completed and accepted by the audit entity, will the SIZA platform issue an electronic SIZA Audit Completion Letter to the SIZA member on the platform. All Corrective Actions must be reviewed for sign-off within 10 working days after it was uploaded by the supplier.

The Audit Completion Letter will reflect basic details of the site audited which include the SIZA membership number, Risk Category and Next Audit date.

5.6   Extension

The SIZA member can ask for an extension to address corrective actions. This should be done online where after approval for the extension must be given by SIZA management. If the extension was approved by SIZA management, the supplier will not be penalized.

5.7   Expiry of Corrective Actions

Once Corrective Actions have expired without the supplier attending to it, the supplier will be penalized through the shortening of the next audit period.

Glossary of Terms

Announced audit
An audit which is undertaken on a specified date that is chosen in agreement with the employment site.

Audit entity
Term used in the SIZA service level agreement to denote the audit entity assigned to manage the audit.

Audit requestor
Generic term referring to any entity that has requested and commissioned an audit, including the requesting entity's customers (where known) where agreements allowing such disclosure are in place.

Code of conduct
The SIZA set of standards concerning environmental practices adopted within the fruit industry and agricultural sector and applied to SIZA members and their suppliers, employment sites and subcontractors.

Comply / compliance
To meet local environmental laws and regulations and the SIZA standard code requirements.

Corrective action
Measures taken to identify the root cause of the non-conformance and remediated action undertaken to eliminate the non-compliance identified during an audit.

Corrective Action Plan
A plan of action drawn up at the end of an audit that records what measures have to be taken and within what time limit to remedy the non-compliance.

Employment site
An individual/specific agricultural site, farm, packhouse etc. (including, where applicable, selected sub-contractors.

Environmental Legislation
Legal requirements developed by governments aimed at protecting the environment from harmful actions.

Follow-up audit
An audit to assess the effectiveness of corrective actions, undertaken to address issues from a previous audit. A follow-up audit can be either a full or a partial follow-up audit (see definitions below).

Full follow-up audit
An audit to assess the effectiveness of corrective actions undertaken to address issues from a previous audit. The audit should include a full review of all areas of the standard audit process, including the complete re-sampling of documents, conducting interviews and the employment site tour.

Initial Audit
The first audit undertaken on an employment site which assesses compliance against a specific code of conduct, or is requested by a specific customer.

Partial follow-up audit

An audit to assess the effectiveness of corrective actions, undertaken to address issues from a previous audit. The audit does not include a full review, but only focuses on the issues identified in the corrective action plan.

Re-audit

A new audit which is performed on an employment site that has already been audited under the same code of conduct or by the same customer.

Semi-announced audit

An audit which is undertaken on an unspecified date, scheduled within a set period, (between two weeks and two months) which is agreed with the employment site. The employment site will be informed that an audit will take place during this period but will not be informed of the exact date.

Environmental Audit (hereafter referred to as 'audit')

Systematic, independent and documented process for obtaining evidence and evaluating it objectively to determine the extent to which environmental/conservation standards criteria are met.

Stakeholder

Any person, company, organisation or other party that is affected by the activity and/or operations of a company.

Summary of Findings and Corrective Actions

A summary document which provides information about all issues and other findings from an audit, as well as corrective actions and time frames for completing these.

Supplier

Any contract partner which supplies the retailer/brand with goods or services.

Unannounced audit

An audit carried out without prior warning to the employment site.

Verification

Examination of claims made about the actual observance of the code or standard provisions by suppliers or of claims made about the activities that a company undertakes to give effect to its code. Verification implies that participating companies must have internal auditing or monitoring systems in place.

Annexure 1

SIZA Supplementary Audit Information

1. Supplementary Report

Auditors may feel the need to produce a separate, supplementary report for the audit requestor containing:
• Information too sensitive for the audit report.
• Concerns which cannot be substantiated through evidence and/or interviews.
• Attitude of management towards the non-compliances or the audit process as a whole.

Supplementary reports may be appropriate:
• If workers appear to be under undue pressure from management on the day of the audit.
• If workers appear to have been coached.
• If management was obstructive or reluctant to accept findings and the need for remediation.
• Where the auditor has concerns about the possibility of double books or falsified records.
• Where sensitive issues could not be discussed during the closing meeting because of a potential risk to workers' wellbeing.
This type of report may not be appropriate where the audit requestor is the employment site itself.

2. Reference supplementary audit information

Supplementary Audit Information Area of concern (Description of the issue, who was involved or affected, and when this occurred)	Evidence/ Observation (A description of the evidence observed)	Related legislation/ applicable environmental code

Annexure 2

SIZA Environmental Audit Frequency Matrix

OVERVIEW

The SIZA programme aims to build into the scheme robust assurances of the management of risk in respect of the supply base in the South African agricultural industry. The programme subscribes to the following, which can be used to mitigate and manage risk:

- Visibility of a supplier
- Transparency - the supplier must be willing to share information on compliance status
- Commitment to improve – the supplier must demonstrate a commitment to improve compliance levels and continually provide information that supports this.

The programme subscribes to being improvement-led rather than audit-led and uses the SIZA Audit frequency matrix to support this position. It creates four categories of risk: Platinum, Gold, Silver, and Bronze where Platinum category has the most stringent qualifying criteria. A SIZA member will be rated according to these risk categories and can earn the right to move to a higher category where the reward for this is a less frequent audit. However, it also builds into the system a range of tools beyond the audit that, if used in combination rather than isolation, will provide more extensive cover and management of risk between audits, ensuring a more robust programme. For example, the programme will involve various verification activities such as site visits and desktop assessments that will take place between audits. A percentage of these verification activities will focus specifically on sites that fall into the Platinum category providing an additional safety net. In addition, all sites will be required to update and renew their SAQ on an annual basis, part of which will include updating the improvement plan. This will be monitored on the SIZA data platform by the Audit Body and SIZA Audit Oversight. Therefore, although auditing may not occur annually or every two years for the Platinum category members, the measurement of compliance between the audits remains robust and in place.

The SIZA programme has identified various activities and actions that will be in place in order to mitigate and manage risk. While the third-party audit is an important component of this, it is the activities between audits that will support sustainable improvement. These are as follows:

1. RISK MANAGEMENT

<u>Awareness-raising</u>
An informed supply base helps to manage risk through suppliers being made more aware of potential risks and means of mitigating these risks. Awareness-raising activities should be in place and ongoing. Participation in these activities can be measured and included in a supplier's risk rating.

Tools

The SIZA programme roll out workshops; Supplier 'environmental programme' toolkit, an awareness raising video and SIZA capacity-building and support programmes.

Assessment (Measurement of risk)

Tools

- **Annual Self-assessment Questionnaire (SAQ)** which will be managed by the SIZA data platform. Results of the SAQ will be measured against third-party audits to ensure accuracy of the SAQ. Significant discrepancies between the information contained on the SAQ and the findings made during the audit will be taken into consideration when determining overall risk rating for the site which could, in turn, affect the audit frequency. Corrective actions identified by a supplier to correct non-compliances reflected in the SAQ will be monitored in the same way as corrective actions in a third-party audit.

- **Second-Party Verification** to assist suppliers with technical support and advice to drive continuous improvement and environmental stewardship. Second-party verifications is based on an annual sample size of 25% approved environmental SAQ's. The second-party verification process also act a preparatory measure for suppliers to ready themselves for the implementation of SIZA's second verification method for the environmental module, namely third-party audits.

- **3rd-Party Audit** by recognised independent audit bodies where audit reports will be uploaded onto the data platform and allow visibility and transparency to retailers, exporters, importers and the industry.

- **Verification assessment**
  o Desktop – these will be conducted random via the SIZA data platform
  o Site visits (conducted on the square root of the number of farms audited every year (for e.g. if there have been 400 audits, there will be 20 verification assessments as follows: 25% from each Risk Category)

Follow up action

There are various tools that enable appropriate responses to the risk:

- **Corrective Action Plan (CAP) reports** – the data platform will monitor progress in the completion of corrective actions (linked to issues raised in a SAQ or 3rd party audit) and include notifications of failure to complete corrective actions within agreed time frames. Each supplier will have a complete history of performance so improvement can be tracked. Failure to respond to notifications could lead to consequences such as a follow up audit, increased audit frequency, suspension or SIZA membership cancellation. SIZA Audit Completion Letters will not be issued on time and subsequently approved by the auditor.

- **Improvement Plans** – Improvement Plans and commitments in relation to this will be monitored on the data platform as with CAP reports and enable SIZA to track improvements. Employment sites can show 'improvement' on the data platform through updating their improvement plans annually.

- **Alert notifications –** These will be sent to the SIZA programme and relevant buyers where critical findings/issues are identified on an employment site.

- **Participation in activities** classified as "improvement" activities which can be included on an Improvement plan, for example, specific skills training programmes that are designed to improve integrated pest management practices can be monitored and used to measure improvement.

- **Complaints mechanism** — a formal mechanism is in place to receive complaints from members and non-members and deal with these in an appropriate way. SIZA may send an independent third-party auditor/consultant to investigate employment sites where complaints have been received.

AUDIT OVERSIGHT PROGRAMME

2.1 Support programme for suppliers

SIZA has constructed a transparent and thorough process by which support to suppliers are provided as part of their SIZA membership. To ensure members gain the most from their SIZA membership, SIZA is implementing various supportive methods and programmes allowing continuous improvement throughout the process. The goal is not only to assist growers, but to promote best practices, continuous improvement, and to provide the tools by which growers can become self-sufficient in monitoring best practices and internal risks.

2.2 Remedy Programme

SIZA implemented a Remedy and Beyond Audit programme. This essentially means that for all the various code principles, best practice programmes will be identified and made available online to members on the SIZA platform. For areas where non-conformances have been identified, producers will have access to a list of programmes/service providers that can assist with best practice guidance on corrective action measures, remedial actions, etc.

2.3 Auditor monitoring

The objective of the monitoring and evaluation programme is to provide assurance to all, but it will also assist auditors to:
- Understand participatory monitoring methodology
- Apply the principles and processes of the methodology
- Understand applicable national legislation
- Understand the SIZA Audit Process and Methodology requirements, the SIZA code and guidelines of good practices and APSCA requirements
- Report accurately on auditing processes and findings
- Understand the steps that producers are required to take in meeting the objectives of the code
- Understand best practice recommendations and principles for the sector
- Ensure the calibration and consistency as well as the validity, accuracy, and integrity of audit data.

2.4 Auditor Competency and Calibration

SIZA is committed to establishing processes to ensure that the SIZA code's monitoring and measurement can be carried out in a manner that is consistent with the SIZA Environmental Standard. SIZA defines requirements and describes the process for Environmental Auditors in the Auditor Competency policy. Training and development workshops are set up in conjunction with external expert facilitators, to train and develop a community of practice amongst all auditors auditing within the agricultural sector. A model for calibration has been implemented. Audit reports are reviewed to ensure that all auditors will audit on the same criteria, findings during audits will be on the same level, and risks of corruption or manipulation are managed according to SIZA principles and guidelines.

SIZA AUDIT COMPLETION LETTERS

An Audit completion Letter will <u>only</u> be issued once all corrective actions are completed and non-compliances are signed off/approved by the Audit Company.

Audit Completion Letters consist out of 3 dates:
- The audit date
- The next audit date
- The Audit Completion Letter expiry date.

A grace period of up to 3 months can be applied for once an audit was done to allow suppliers adequate time to complete their corrective actions. SIZA is strongly focused on the correction of non-compliance because the programme is aimed at continuous improvement and driving positive change on member farms. If a supplier does not complete his corrective actions after an audit, a penalty can be implemented before the next audit can be requested.

- Take note that if the non-compliances include a long-term corrective action (e.g. living conditions etc.) which cannot be concluded and uploaded in the given grace period to obtain a SIZA Completion Letter, a development-/improvement plan with timeframes must be uploaded to the SIZA Platform and subsequently be completed according to timeframes. When the plan is uploaded and signed off by the auditor, an Audit Completion Letter can be issued, but SIZA will not issue this letter if any open corrective actions (CA) remain. Although observations do not normally generate into CAs, it must also be signed off by the auditor before Audit Completion Letters will be available.

- The level of compliance can only change when a new audit was done. It does not change once corrective actions are uploaded and completed.

Audit Frequency Matrix

Note: The categorization of non-compliances (NC's) referred to in the Audit Frequency Chart is based on the SIZA Audit Process and Methodology document which makes use global requirements as a guideline.

Risk category	Critical	Major	Minor	Action required	Next full audit
Bronze	1 or more	And/or >5	And/or >30	Submission of corrective actions within timescales agreed during audit; and/or follow up visit during months 0 - 6	Full audit 0 – 12 months from date of original audit. If NC's are not complete as per CAP time frames **no completion letter will be issued.**
Silver	0	3 - 5	And/or 21 - 30	Submission of corrective actions within timescales agreed during audit; and / or follow up PARTIAL audit (using desktop evidence submitted or visit to farm to check corrective actions during months 0 – 6)	If NC's complete in giving timeframe – full audit 2 years from date of original audit. If NC's are not complete as per CAP time frames – full audit at the start of the next season, but no more than 12 months from date of original audit and **no completion letter will be issued.**
Gold	0	1 - 2	11 - 20	Submission of corrective actions within timescales agreed during audit; and / or follow up PARTIAL audit (using desk top evidence submitted or visit to farm to check corrective actions as per the agreed timeframes during the audit)	If NC's complete in giving timeframe – full audit 2 years from date of original audit. If NC's not completed as per CAP time frames – full audit at start of next season but no more than 12 months from date of original audit **no completion letter will be issued.**
Platinum	0	0	0 - 10	Submission of corrective actions within timescales agreed during audit; and/or follow up PARTIAL audit (using desk top evidence submitted or visit to farm to check corrective actions as per the agreed timeframes during the audit)	If NC's complete – full audit 3 years from date of original audit. If NC's not completed as per CAP time frames – full audit at start of next season but no more than 12 months from date of original audit and **no completion letter will be issued.**

November 2019

Annexure 3

SIZA Alert Notification

1. Key Information

EMPLOYMENT SITE AND AUDIT INFORMATION	
NAME OF AUDITING COMPANY:	
SUPPLIER NAME:	
EMPLOYMENT SITE NAME:	
COUNTRY:	
AUDIT DATE:	
DATE OF ALERT:	
LEAD AUDITOR:	
ISSUE AREA(S):	

2. Details of critical non-compliance(s)

Critical non-compliances should be presented in a consistent format, with sufficient detail concerning the issue(s) and its context to enable useful remediation discussions to begin. A table should be completed for each issue found.

CRITICAL NON-COMPLIANCE	
CODE OR LABOUR LAW PROVISION IN BREACH:	
DESCRIPTION OF CRITICAL NON-COMPLIANCE:	
AUDITOR FINDINGS (DESCRIPTION, EXTENT OF ISSUE, ETC):	
DOCUMENTARY, INTERVIEW AND OTHER EVIDENCE FOUND:	
MANAGEMENT RESPONSE:	
PROPOSED CORRECTIVE ACTIONS:	

Annexure 4:
ENVIRONMENTAL AUDITOR COMPETENCY GUIDELINES

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 Environmental Standard.

2. PURPOSE

To define the requirements and describe the process for becoming an environmental auditor, as well as to provide a framework for continuous professional development. In order for environmental auditors to be considered competent to audit under the SIZA scheme, the following requirements will need to be considered:
- ✓ Level of education and qualification
- ✓ Relevant work experience
- ✓ Training and practical auditor experience

3. THE SCOPE

This matrix shall be applied to all auditors operating on behalf of SIZA – Trainee, Associate and Lead as well as audit Reviewers.

4. AUDITOR REQUIREMENTS

4.1   Prerequisites to become a Level 1 – Trainee Environmental Auditor

4.1.1. Education
- The individual will have successfully completed a 4-year tertiary qualification (BSc science, general science, or agricultural sciences degree) with a preference in environmental sciences or environmental management.
- To operate at this level, the incumbent should have good reading, writing and verbal proficiency in English and Afrikaans.
- Should the candidate demonstrate equivalent experience other than stated above, submissions along with the individual's CV will need to be made to SIZA for approval by the scheme.

4.1.2   <u>Work Experience</u>
- The individual will have knowledge and working life experience relevant to the business and workplace being audited. A minimum of 5 years post-tertiary experience with at least 3 years in the agricultural sector.
- Should the candidate demonstrate equivalent experience other than stated above, submissions along with the individual's CV will need to be made to SIZA for approval by the scheme.

4.1.3   <u>Audit Experience (Trainee Auditor)</u>
- The individual will initially have completed a minimum of 2 training auditor days (observer) under the direction and guidance of a competent Lead Auditor before attending an auditor training course.
- The training towards becoming an Associate Auditor will then involve 5 days as shadow audits (at least 2 of which are undertaken before a basic training course is done as an observer) followed by 3 audit days as a Trainee Auditor under supervision and guidance of a Lead Auditor to be recognized as an Associate Auditor.

4.1.4   <u>Training Requirements</u>

Trainee Auditors will be required to complete an auditor training course following the first two (2) shadow audits.
This course requires coverage of the following:
- Audit principles, procedures and techniques
- Management systems and reference documents
- Organisational situations
- Situational awareness
- Introduction to applicable environmental legislation and regulations
- Audit planning, approach and methodology
- South African based environmental codes and standards such as SIZA
- Detection, evidence gathering and triangulation
- Capturing of findings

An independent training assessment will need to be undertaken by the auditor to be moderated by a SIZA approved moderator and assessor.

4.2   Prerequisites to become a Level 2 – Associate Environmental Auditor

4.2.1   <u>Education</u>
- The individual will have successfully completed a 4-year tertiary qualification (BSc science, general science, or agricultural sciences degree) with a specialisation in either environmental science or environmental management.
- To operate at this level, the incumbent should have good reading, writing and verbal proficiency in English and Afrikaans.
- Should the candidate demonstrate equivalent experience other than stated above, submissions along with the individual's CV will need to be made to SIZA for approval by the scheme.

4.2.2   <u>Work Experience</u>
- The individual will have knowledge and working life experience relevant to the business and workplace being audited. A minimum of 5 years post-tertiary experience with at least 3 years in the agricultural sector.
- Should the candidate demonstrate equivalent experience other than stated above, submissions along with the individual's CV will need to be made to SIZA for approval by the scheme.

4.2.3   <u>Audit Experience (Auditor)</u>
The individual will initially have completed a minimum of 20 auditor days of onsite audits under the direction and guidance of a competent Lead Auditor. Of these 20 auditor days, 5 days should be shadow audits as a trainee auditor under the guidance of a Lead Auditor.

4.2.4   <u>Training Requirements</u>
Associate Auditors will be required to complete a recognized auditor training course as a Trainee Auditor.
The basic introductory course requires coverage of the following:
- Audit principles, procedures and techniques
- Management systems and reference documents
- Organisational situations
- Situational awareness
- Introduction to applicable environmental legislation and regulations
- Audit planning, approach and methodology
- South African based environmental codes and standards such as SIZA
- Detection, evidence gathering and triangulation
- Capturing of findings

An independent training assessment will need to be undertaken by the auditor to be moderated by a SIZA approved moderator and assessor.
In addition, the auditor will need to attend training in the SIZA Environmental Standard and Methodology.

4.3   Prerequisites to become a Level 3 – Lead Auditor

4.3.1   <u>Education</u>
- The individual will have successfully completed a 4-year tertiary qualification (BSc science, general science, or agricultural sciences degree) with a specialisation in either environmental science or environmental management.
- To operate at this level, the incumbent should have a good reading writing and verbal proficiency in both English and Afrikaans.
- Should the candidate demonstrate equivalent experience other than stated above, submissions along with the individual's CV will need to be made to SIZA for approval by the scheme.

4.3.2   <u>Work Experience</u>
The individual will have knowledge and working life experience relevant to the business and workplace being audited. A minimum of 5 years post-tertiary experience with at least 3 years in the agricultural sector.

4.3.3   Audit Experience

- The individual will initially have completed a minimum of 25 auditor days of onsite audits under the direction and guidance of a competent Lead Auditor. Of these 25 auditor days, five (5) audit days is as a Trainee Auditor and twenty (20) days as an Associate Auditor.
- Furthermore, of the 25 auditor days, the individual will have undertaken at least two satisfactory audits formally assessed by a competent Lead Auditor as part of their evaluation. Ideally, the assessment should be undertaken by two different Lead Auditors. Where this is not possible, it should be noted in the report to SIZA as to why this is not the case.
- The auditor assessment should be documented in an assessment report which will be made available to the SIZA audit oversight for a recommendation to SIZA management along with an audit log, training plan and CV of the auditor. Once the reports have been approved by SIZA, SIZA management will allow access to the SIZA Platform.

The assessment report should contain, but not be limited to, the following areas of evaluation:
- Preparation and planning for audit
- Display of personal attributes
- Ability to read and understand people
- Demonstration of knowledge of legal frameworks
- Demonstration of knowledge of the SIZA Environmental Standard
- Practical application of the laws and standard
- Knowledge of management systems
- Knowledge of technical and operational systems
- Understanding and demonstration of competence with audit process and methodology
- Interviewing techniques
- Ability to verify and triangulate information
- Interpersonal communication skills
- Report writing skills

4.3.4   Training Requirements

The Lead Auditor is required to complete an Auditor Training Course approved by SIZA.

This course should meet the following Requirements:
- SIZA online training
- Demonstration of the SIZA Code
- Demonstration of knowledge of legal frameworks:
  o   Advanced Environmental Law
- Application of laws and the standard
- Effective leadership
- Managing and resolving conflict during audit
- Knowledge of management and operational systems
- Competence in Audit Process & Methodology
- Advanced detection
- Ability to verify and triangulate
- Ability to uncover root cause
- Communication skills

- Report writing skills

An independent training assessment will need to be undertaken by the auditor to be moderated by a SIZA approved moderator and assessor. SIZA will make available a panel of approved moderators and training courses.

4.4   Requirements for Reviewers

4.4.1   <u>The role of the Reviewer</u>
- The role of the reviewer is to make an objective evaluation of the audit reports, corrective action plans and verification details, identified risks and non-compliance judgements made against the prescribed standard.
- The reviewer should consider code compliance matter, legal and regulatory frameworks and appropriateness of the report.
- The reviewer will also consider quality against the professional standards.
- To maintain the objectivity of the reviewer, the reviewer will also remain impartial to the site whose report is being moderated.

4.4.2   <u>Role in moderation of an audit report</u>
- Moderation is concerned with the consistency, comparability and fairness of the application of the ethical code and audit standards across all audit reports.
- An auditor is not allowed to act as a reviewer on the same audit they conducted as an auditor. Audit reports are also to be complied by the Reviewer but by an auditor in their capacity as Lead auditor.
- Where concerns around the audit credibility or integrity of data come to the attention of the Reviewer, the reviewer will engage with the auditor to have the auditor rectify the report.

4.4.3   <u>Education</u>
- The individual will have successfully completed a 4-year tertiary qualification (BSc degree) and preferably a postgraduate degree (MSc degree) with a specialisation in environmental science or environmental management.
- To operate at this level, the incumbent should have a good reading writing and verbal proficiency in English.
- Should the candidate demonstrate equivalent experience other than stated above, submissions along with the individual's CV will need to be made to SIZA for approval by the scheme.

4.4.4   <u>Work Experience</u>
The individual will have knowledge and working life experience relevant to the business and workplace being audited. A minimum of 10 years post-tertiary experience with at least 3 years in the agricultural sector.

4.4.5   <u>Audit Experience (Reviewer)</u>
The Reviewer should be a qualified Lead Auditor.

5.   SIZA REQUIREMENTS FOR AUDITOR REGISTRATION & RECOGNITION

5.1   Auditor Registration

- All auditors will need to be registered with SIZA. They will need to submit / upload a valid Auditor Profile before being accepted onto the SIZA Platform. The aim of the profile is to capture details of how the auditor has been assessed against the requirements and criteria for recognition as Auditor under the SIZA scheme.
- For combined audits **the auditor needs to be approved as an auditor by both programmes (SIZA and GlobalG.A.P) in accordance with the competency requirements set out.**
- All auditors should have a unique email address to register on the platform. This email address will be directly linked to one audit entity/ one profile. If an auditor is involved with more than one audit entity and/ or fulfills the role of auditor and reviewer, unique email addresses should be registered for each profile.
- This profile will be reviewed on an annual basis.

5.2   SIZA Recognition of Auditor Training Courses

SIZA may from time to time facilitate the provision of Auditor Training Courses as well as SIZA Platform courses.

Audit entities may also submit in-house and formal accredited Auditor Training Courses for pre-approval. These can be registered with SIZA and will be reviewed from time to time.

SIZA may also request that auditors participate in or re-do certain auditor courses as determined by the requirements of the scheme.

5.3   Training Course Assessment

All auditors will be required to undertake an Auditor Training assessment. This assessment will be independently moderated and will need to be undertaken with the adjudication of an impartial adjudicator. SIZA will provide a list of recognized independent trainers and moderators.

These assessments may be done online or at an appropriate venue as arranged with SIZA.

5.4   Auditor Personality & Behavioral Profile

The required auditor personality and behavioral profile will be developed and prescribed by SIZA.

5.5   Maintaining Auditor SIZA Registration

It is the responsibility of the audit entities auditing under the SIZA scheme to maintain the profiles of their auditors and to ensure that auditors receive ongoing training and development.

Where auditors do not fulfil the requirements as a result of extended periods away from auditing i.e. maternity leave, study leave or alternative work obligations, or resignation or transfer to other audit entities, registration could be removed or suspended.

5.6   ISO Accreditation

All auditors and audit entities should be ISO/IEC 17065 accredited and approved by GlobalG.A.P. SIZA will not accept any audit conducted by an audit entity or auditor that is not accredited and/or registered with these regulatory entities. It may further be required that the auditor must be registered with an appropriate regulating body. This will be communicated accordingly to the audit entity and auditor.

By joining the SIZA programme, the auditor and audit entity might be subject to further requirements if and when SIZA deems it necessary. In cases where SIZA deems it necessary to require further registration/training with external programmes, SIZA will allow a phasing period prior to implementation.

5.7   Minimum number of audits in a year

Each Auditor shall undertake a minimum of 5 audits per year against the SIZA Environmental Standard or 3 audit reviews in the capacity as Reviewer within a twelve (12) month period. Any auditor who does not fulfil this criterion will have their profile reviewed.

Auditors who return to audit under the SIZA standard after a one (1) year or more gap, will be required to undertake two (2) shadow audits as well as participate a refresher course in the SIZA standard, code and / or legislation updates as well as online training with a required competency test as determined by SIZA.

5.8   Auditor Evaluation

All auditors will be subject to one (1) unannounced or announced independent shadow audit every three (3) years. This shadow will be undertaken by a SIZA approved shadow auditor. Reports on the shadow audit will be submitted to SIZA for review on competence and audit calibration.

Audit entities will be required to continue to conduct annual evaluation audits on each lead auditor.

5.9   Internal Audits

The SIZA scheme reserves the right to undertake an internal audit of the audit entities at any stage to ensure that the necessary SIZA technical support systems and procedures are in place to audit against the SIZA Environmental Standard.

6.   IMPLEMENTATION DATE

These guidelines and requirements for auditor competency will be phased in over the next 12 months and will come into full effect from 1 August 2020.

We thank you for your support of the programme and involvement in development of our growing group of environmental auditors!