

## ETHICAL AUDITING STATEMENT 2018

At SMI one of the most important criteria addressed is that of “workers rights” and conditions of employment.

Once every 2 years we carry out ethical audits to make sure that as a business, we (and our business partners) are operating in line with our Ethical Policy(s). These audits include the following:

- Inspections to ensure SMI (and our business partners) are abiding to the requirements set out by the International Labour Organisation (ILO) & UNICEF
- Inspections to ensure SMI (and our business partners) ensure that human dignity; safety and respect are upheld wherever we do business.
- Inspections to ensure SMI (and our business partners) comply with all applicable legal standards and requirements of the country in which they are operating. We take steps to ensure that International Labour Organisation (ILO) and United Nations (UN) recommendations are adhered to.
- Inspections to ensure SMI (and our business partners) adhere to the laws of their nation regarding the protection and preservation of the environment.
- Inspections to ensure SMI (and our business partners)
  - ensure that the rights of the workers are upheld and maintained in accordance to ILO, UN and national regulations.
  - do not utilize child labour as defined by the International Labour Organisation (ILO), United Nations (UN) standards and/or national standards, whichever is the higher.
  - do not utilize forced labour, including prison or any other compulsory labour.
- Inspections to ensure SMI (and our business partners) are committed to providing a safe and healthy place of work and to treating employees fairly and in compliance with the law.

The way in which we audit our business partners is as follows:

- Request a copy of all their ethical, social, environmental, policies etc
- Visit our business partner’s facilities to carry out checks on their working conditions etc

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