

Expectations towards suppliers as defined in the Guiding Principles and local legislation

1. Business Ethics

Guiding Principles: Companies are expected to uphold the highest standards of integrity and to operate honestly and equitably throughout the supply chain in accordance with local laws.

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
<p>1. Responsible Sourcing of Materials</p>	<p><i>Companies Act 71 of 2008</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Act promotes the enforcement of the concept of corporate citizenship and responsibility in achieving economic and social benefits of an organisation. ● It encourages the management of companies in an efficient and responsible manner. ○ Key points for suppliers: <ul style="list-style-type: none"> ● In order to enforce responsibility for organisations, the Act requires (depending on the size or the company and/or its impact in society) requires the establishment of a social and ethics committee. ● According to section 72(4) of the Act, the Minister may pass regulations that require certain companies to have social and ethics committees. ● See notes on the Regulation 43 of the <i>Companies Regulations, 2011</i> below. ● Part of the functions of a social and ethics committee as per the <i>Companies Regulations, 2011</i> is to take into account the company's standing in relation to the goals and purposes of the 10 principles set out in the United Nations Global Compact Principles. Principles 7, 8 and 9 are focused on a companies' responsibilities towards the environment, including the promotion of greater environmental responsibility 	<p>The Guiding Principles and Practical Guidance specify the expectation of companies to source raw materials that are used in their products in a responsible manner. While the law is not explicit in terms of responsible sourcing of materials, it does provide for companies' responsibilities towards the environment, human rights and corporate citizenship.</p> <p>The <i>Companies Act 71 of 2008</i> is a key piece of legislation, which regulates all companies in South Africa.</p> <p>Although not enforceable by law, King IV is a compilation of voluntary Guiding Principles and leading practices for organisations in order for them to achieve certain outcomes in relation to sustainable development, integrated thinking, corporate citizenship, stakeholder inclusivity, a company's role, and its responsibility in society. Legislation prevails in the event that there is a conflict with King IV. It should be noted that while King IV might promote a higher standard of governance than legislation, it does not necessarily mean that there is a conflict. Only when legislation and King IV cannot be reconciled a conflict might arise. A supplier will still be compliant with the minimum requirements of legislation if it implements a higher standard than that advocated by law. Compared to King IV, which provides high-level recommendations in relation to the environment, the Practical Guidance lists more specific requirements in terms of the sourcing of raw materials and the products that are produced.</p>

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	<p>through initiatives, and encouragement of the creation and use of environmentally friendly technologies.</p> <p>http://www.cipc.co.za/files/2413/9452/7679/CompaniesAct71_2008.pdf</p> <p>Regulation 43 of the <i>Companies Regulations, 2011</i> made in terms of the <i>Companies Act 71 of 2008</i></p> <ul style="list-style-type: none"> ○ Scope of the Regulation: <ul style="list-style-type: none"> ● The regulation applies to every state-owned company, every listed public company, and any other company that has in any two of the previous five years, scored above 500 points in its 'public interest score' at the end of each financial year in terms of regulation 26 (2). ● Certain companies must have social and ethics committees in place. ○ Key points for suppliers: <ul style="list-style-type: none"> ● Functions of the social and ethics committee include: monitoring the company's activities, taking into account any relevant legislation, other legal requirements or prevailing codes of best practice, in relation to: <ul style="list-style-type: none"> ▪ social and economic development, amongst others, the company's position on the 10 principles set out in the United Nations Global Compact Principles; and ▪ the environment, health and public safety. <p><i>Companies Regulations, 2011:</i> http://www.justice.gov.za/legislation/acts/2008-071-reg.pdf</p> <p>United Nations Global Compact: https://www.unglobalcompact.org/what-is-gc/mission/principles</p>	<p>The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas is a non-compulsory Guide which sets basic requirements similar to the Guiding Principles. The Guidance aims to help companies with human rights issues and avoid contributing to conflict through their sourcing decisions, including the choice of their suppliers. This Guidance document is similar to the Guiding Principles, although it is a voluntary document and is not enforced by law.</p>

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	<p><i>King IV Report on Corporate Governance for South Africa, 2016 (King IV)</i></p> <ul style="list-style-type: none"> ○ Scope of the Report: <ul style="list-style-type: none"> • Organisations in South Africa are conferred a “corporate citizenship” status because they form an important part of society. • The “corporate citizenship” status confers rights, obligations and responsibilities on organisations towards society and the natural environment on which society depends. • Organisations are thus licensed to operate by their internal and external stakeholders, and by society in the broad sense. ○ Key points for suppliers: <ul style="list-style-type: none"> • King IV enforces the narrative that the survival and success of organisations are intertwined with, and related to, three interdependent sub-systems: economy, society and the natural environment. <p>https://cdn.ymaws.com/www.iodsa.co.za/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/IODSA_King_IV_Report_-_WebVersion.pdf</p> <p><i>OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas</i></p> <ul style="list-style-type: none"> ○ Scope of the Report: <ul style="list-style-type: none"> • This guidance provides a framework for detailed due diligence as a basis for responsible global supply 	

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	<p>chain management. The Guidance aims to help companies with human rights issues and avoid contributing to conflict through their sourcing decisions, including the choice of their suppliers.</p> <ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> • The Guidance provides a framework to assist companies with supply chain management, including choosing suppliers, responsible sourcing and human rights issues. <p>https://www.oecd.org/daf/inv/mne/GuidanceEdition2.pdf</p>	
<p>2. Anti-Corruption</p>	<p><i>Financial Intelligence Centre Act 38 of 2001</i> - Applicable under Schedule 3 of FICA</p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • FICA is aimed at fighting financial crime such as money laundering, tax evasion and terrorist financing activities. ○ Key points for suppliers: <ul style="list-style-type: none"> • Money laundering is the process by which money, which is obtained from illegal sources, is given the appearance of having come from a legitimate source. In South Africa, money laundering is a crime that is punishable under FICA. <p>https://www.fic.gov.za/Documents/FIC%20Act%20with%202017%20amendments%20(1)%20(1).pdf</p> <p>Regulation 43 of the <i>Companies Regulations, 2011</i> made in terms of the <i>Companies Act 71 of 2008</i></p>	<p>In the context of corruption, bribery, fraud and money laundering, each piece of legislation outlines which conduct and/or omission is considered to be an offence and therefore criminalised in terms of the law.</p> <p>By referencing the United Nations Global Compact Principles and the Organisation for Economic Co-operation and Development (OECD) recommendations on corruption, for example, regulation 43 of the <i>Companies Regulations, 2011</i>, together with other anti-corruption and anti-bribery legislation, sets higher requirements than the Guiding Principles and Practical Guidance.</p>

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	<ul style="list-style-type: none"> ○ Scope of the Regulations: <ul style="list-style-type: none"> ● The regulation applies to every state-owned company, every listed public company, and any other company that has in any two of the previous five years, scored above 500 points in its 'public interest score' at the end of each financial year in terms of regulation 26 (2). ● Certain companies must have social and ethics committees in place. ○ Key points for suppliers: <ul style="list-style-type: none"> ● In addition to the other functions of the social and ethics committee, suppliers should note the following in the context of corruption: <ul style="list-style-type: none"> ▪ the 10 United Nations Global Compact Principles; ▪ the Organisation for Economic Co-operation and Development (OECD) recommendations on corruption; ▪ the promotion of equality, prevention of unfair discrimination, and reduction of corruption; and ▪ the company's records of sponsorships, donations and charitable giving. <p>http://www.justice.gov.za/legislation/acts/2008-071-reg.pdf</p> <p>https://www.unglobalcompact.org/what-is-gc/mission/principles</p> <p>http://www.oecd.org/corruption/</p> <p><i>Prevention of Organised Crime Act 121 of 1988</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: 	

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	<ul style="list-style-type: none"> • The aim of the Act is to combat organised crime, (including money laundering and criminal gang activities), and provides for the preservation and forfeiture of property implicated in these offenses. ○ Key points for suppliers: <ul style="list-style-type: none"> • The National Director has the right to access any information needed to investigate a transgression related to this Act, as long as this does not conflict with other laws. • The South African Revenue Service must be informed about any investigation before criminal proceedings are held. This will ensure cooperation and the sharing of information. <p>https://www.fic.gov.za/Documents/02.POCA.pdf</p> <hr/> <p><i>Protected Disclosures Act 26 of 2000</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • Provides protection to employees (i.e. whistle-blowers) who disclose information relating to corrupt activities within the workplace, in both the private and public spheres. ○ Key points for suppliers: <ul style="list-style-type: none"> • A whistleblowing policy should form part of a company's suite of anti-fraud and corruption policies all of which should be aimed at creating a culture within the company of zero tolerance of irregular and/or unethical conduct, as well as a culture of reporting knowledge of such conduct so that appropriate steps may be taken. 	

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	<p data-bbox="551 284 1196 312">http://www.justice.gov.za/legislation/acts/2000-026.pdf</p> <p data-bbox="551 376 965 405"><i>Criminal Procedure Act 51 of 1977</i></p> <ul style="list-style-type: none"> <li data-bbox="551 440 808 469">○ Scope of the Act: <ul style="list-style-type: none"> <li data-bbox="600 504 1272 564">● The purpose of the Act is to regulate procedures and related matters in criminal proceedings. <li data-bbox="551 600 887 628">○ Key points for suppliers: <ul style="list-style-type: none"> <li data-bbox="600 663 1294 995">● The Act provides that a corporate body may be held directly liable for any offense, whether under any law, be it at common law or statute, arising from: <ul style="list-style-type: none"> <li data-bbox="696 759 1294 868">▪ any act performed, with or without a particular intent, by or on instructions or with permission, express or implied, given by a director or servant of that corporate body; and <li data-bbox="696 887 1294 995">▪ an omission, with or without a particular intent, of any act which ought to have been but was not performed by or on instructions given by a director or servant of that corporate body. <p data-bbox="551 1031 1285 1091">https://www.gov.za/sites/default/files/gcis_document/201503/act-51-1977s.pdf</p> <p data-bbox="551 1158 1285 1219"><i>The Prevention and Combatting of Corrupt Activities Act 12 of 2004</i></p> <ul style="list-style-type: none"> <li data-bbox="551 1254 808 1283">○ Scope of the Act: <ul style="list-style-type: none"> <li data-bbox="600 1318 1294 1426">● The Act aims to provide for the strengthening of measures to prevent and combat corruption and corrupt activities and to provide for offences relating to corrupt activities. 	

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	<ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> ● The Act places a duty on certain persons holding a position of authority to report certain corrupt transactions. <p>http://www.justice.gov.za/legislation/acts/2004-012.pdf</p>	
3. Privacy	<p><i>Constitution of the Republic of South Africa 108 of 1996</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The people of South Africa have the right to privacy. This right is constitutionally entrenched in the South African Bill of Rights. ○ Key points for suppliers: <ul style="list-style-type: none"> ● Policies and conduct must be consistent with the constitutionally enshrined right to privacy. <p>https://www.gov.za/sites/default/files/images/a108-96.pdf</p> <p>Sections 11 and 12 of the <i>Consumer Protection Act 68 2008</i></p> <ul style="list-style-type: none"> ○ Scope of the Sections: <ul style="list-style-type: none"> ● Section 11 provides for the right of every person to privacy ● Section 12 prohibits suppliers from engaging in any direct marketing directed to a consumer at home for any promotional purpose during a prohibited time period, as prescribed by the Minister, unless the consumer has expressly or implicitly requested or agreed otherwise. 	<p>The Constitution, which entrenched the right to privacy, is the supreme law of the land and therefore no law may conflict with it.</p> <p>The purpose of the <i>Protection of Personal Information Act 4 of 2013</i> is to ensure that all South African entities conduct themselves in a responsible manner when collecting, processing, storing and sharing another entity's personal information by holding them accountable should they abuse or compromise personal information in any way. The Act aims to bestow, as the owner of personal information, certain rights of protection and the ability to exercise control.</p> <p>Together, the legislation, Code and Report speak to the requirements for protecting not only personal information, but also commercially sensitive information, which are higher than the requirements in the Guiding Principles and Practical Guidance.</p>

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	<ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> ● The right to privacy includes the right to refuse to accept; require another person to discontinue; or in the case of an approach other than in person, to preemptively block any approach or communication to that person, if the approach or communication is primarily for the purpose of direct marketing. <p>https://www.gov.za/documents/consumer-protection-act</p> <hr/> <p><i>Protection of Personal Information Act 4 of 2013</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Act aims to promote the protection of personal information processed by public and private bodies and to introduce certain conditions so as to establish minimum requirements for the processing of personal information. ○ Key points for suppliers: <ul style="list-style-type: none"> ● It is critical for organisations that process personal information of employees, customers or other juristic persons (companies, trusts, etc.) to implement organisation-wide privacy initiatives in order to comply with the requirements of the Act. <p>http://www.justice.gov.za/inforeg/docs/InfoRegSA-POPIA-act2013-004.pdf</p> <hr/> <p>Chapter VIII of the <i>Electronic Communications and Transactions Act 25 of 2002</i></p> <ul style="list-style-type: none"> ○ Scope of the Chapter: 	

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	<ul style="list-style-type: none"> • This Chapter establishes a voluntary regime for the protection of personal information. • Personal information or data collectors may subscribe to a set of universally accepted data protection principles. <p>○ Key points for suppliers:</p> <ul style="list-style-type: none"> • It is expected that consumers would prefer to deal with data collectors that have subscribed to the recorded data protection principles. • Chapter VIII is pending repeal by section 110 read with the Schedule of the <i>Protection of Personal Information Act 4 of 2013</i> with effect from a date to be determined by the President by proclamation in the Gazette. <p>https://www.gov.za/documents/electronic-communications-and-transactions-act</p> <p><i>Code of Conduct for Competition in the South African Automotive Industry (as at 01 August 2018)</i></p> <p>○ Scope of the Code:</p> <ul style="list-style-type: none"> • Dealers that sell new motor vehicles and products of competing original equipment manufacturers are prevented from exchanging commercially sensitive information*. <p>○ Key points for suppliers:</p> <ul style="list-style-type: none"> • Employees of original equipment manufacturers and dealers that are involved in the automotive value chain must sign undertakings to not share commercially 	

LEGISLATION SUMMARY: SOUTH AFRICA

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	<p>sensitive information with employees of customers and competitors.</p> <ul style="list-style-type: none"> Both the original equipment manufacturers and dealers must keep the undertakings. <p>* “<i>Commercially Sensitive Information</i>” means trade, business or industrial information that has a particular economic value to a firm and its business strategy and that is generally not available or known by others.</p> <p>http://www.compcom.co.za/wp-content/uploads/2017/10/Automotive-CodeOfConduct2_01Aug2018.pdf</p> <hr/> <p><i>King IV Report on Corporate Governance for South Africa, 2016 (King IV)</i></p> <ul style="list-style-type: none"> Scope of the Report: <ul style="list-style-type: none"> Principle 12 of King IV recommends that a governing body should govern information and technology in a manner that supports the organisation’s setting and achievement of its strategic objectives. Key points for suppliers: <ul style="list-style-type: none"> The governing body should, on an ongoing basis, oversee the management of information and ensure that it results in the protection of privacy of personal information. <p>https://c.ymcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/loDSA_King_IV_Report_-_WebVersion.pdf</p>	

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<p>4. Financial Responsibility/Accurate Records</p>	<p><i>King IV Report on Corporate Governance for South Africa, 2016 (King IV)</i></p> <ul style="list-style-type: none"> ○ Scope of the Report: <ul style="list-style-type: none"> ● Principle 1 of King IV recommends that a governing body of an organisation should lead ethically and effectively. ○ Key points for suppliers: <ul style="list-style-type: none"> ● In order to offer effective leadership that results in achieving strategic objectives and positive outcomes over time, a governing body should embody ethical characteristics. ● Members of the governing body are encouraged to, individually and collectively, cultivate and exhibit a characteristic of transparency. ● Members of the governing body should be transparent in the manner in which they exercise their governance roles and responsibilities. <p>https://c.ymcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/loDSA_King_IV_Report_-_WebVersion.pdf</p> <hr/> <p><i>Companies Act 71 of 2008</i></p> <ul style="list-style-type: none"> ○ The scope of the Act: <ul style="list-style-type: none"> ● The Act requires companies to keep accurate and complete accounting records in one of the official languages of the Republic as necessary. This will enable the company to satisfy its obligations in terms of the Act or any other law with respect to the preparation of financial statement, including any 	<p>The requirements in the Guiding Principles and Practical Guidance are similar to the provisions in the legislation and Report, which make provision for transparency and the accurate reporting and storage of a company's accounting records.</p>

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	<p>prescribed accounting records, which must be kept in the prescribed manner and form.</p> <ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> ● Suppliers need to ensure that they keep accurate and complete accounting records at all times. <p>http://www.cipc.co.za/files/2413/9452/7679/CompaniesAct71_2008.pdf</p>	
<p>5. Disclosure of Information</p>	<p><i>King IV Report on Corporate Governance for South Africa, 2016</i></p> <ul style="list-style-type: none"> ○ Scope of the Report: <ul style="list-style-type: none"> ● King IV makes recommendations on instances (financial and non-financial) where organisations should make disclosures. ○ Key points for suppliers: <ul style="list-style-type: none"> ● King IV supports integrated reporting as it encourages integrated thinking. ● Reporting, including integrated reporting, is dealt with substantially in King IV, where it is positioned as the culmination of a series of leadership responsibilities executed by the governing body. ● The governing body sets and steers the direction of the organisation, approves policy and planning, oversees and monitors management and, provides for accountability on organisational performance through reporting and disclosure. <p>https://c.ymcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/loDSA_King_IV_Report_-_WebVersion.pdf</p>	<p>The disclosure of both financial and non-financial information is substantially regulated under legislation, the Report and the automotive industry code.</p> <p>Under the Guiding Principles and Practical Guidance, companies, when applicable, are also expected to disclose information on their labour force, health and safety practices and environmental practices.</p>

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	<p>Chapter VII of the <i>Electronic Communications and Transactions Act 25 of 2002</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● A supplier that offers goods or services for sale, hire or exchange through an electronic transaction must make certain information available to consumers on the website where such goods or services are offered. ○ Key points for suppliers: <ul style="list-style-type: none"> ● Under certain circumstances, consumers are entitled to a “cooling off” period within which they, without incurring any penalty, may cancel certain types of transactions concluded electronically. <p><i>Code of Conduct for Competition in the South African Automotive Industry (as at 01 August 2018)</i></p> <ul style="list-style-type: none"> ○ Scope of the Code: <ul style="list-style-type: none"> ● The Competition Commission of South Africa, in consultation and with input from stakeholders in the automotive industry, drafted the Code. ● Dealers that sell new motor vehicles and products of competing original equipment manufacturers are prevented from exchanging commercially sensitive information*. ○ Key points for suppliers: <ul style="list-style-type: none"> ● Dealers must implement “Chinese walls”** and measures to prevent the exchange of commercially sensitive 	

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	<p>information between the dealers' employees and competing original equipment manufacturers' employees.</p> <p>* "Commercially Sensitive Information" means trade, business or industrial information that has a particular economic value to a firm and its business strategy and that is generally not available or known by others.</p> <p>** "Chinese Walls" means information barriers within an organization that are created to prevent exchanges of commercially sensitive information or communication that could lead to conflicts of interest and/or collusion.</p> <p>http://www.compcom.co.za/wp-content/uploads/2017/10/Automotive-CodeOfConduct2_01Aug2018.pdf</p>	
<p>6. Fair Competition/Anti-Trust</p>	<p><i>Competition Act 89 of 1998</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Act provides for the establishment of the Competition Commission, which is responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, and mergers. ● It also provides for the establishment of a Competition Tribunal, which is responsible for adjudicating such matters. ● Finally, it provides for the establishment of a Competition Appeal Court. ○ Key points for suppliers: <ul style="list-style-type: none"> ● The competition authority has extensive powers to prevent anti-competitive conduct. 	<p>The competition law is similar to the Guiding Principles and Practical Guidance, which state that companies are expected to uphold standards of fair business and conduct business in accordance with all applicable anti-trust or anti-competition laws and regulations; and that companies are expected to uphold standards of fair business and competition including, but not limited to, avoiding business practices that unlawfully restrain competition; improper exchange of competitive information; and price fixing, bid rigging, or improper market allocation.</p> <p>The <i>Competition Act 89 of 1998</i> also empowers the competition authority to prevent anti-competitive conduct, which includes restrictive horizontal and vertical practices, abuse of a dominant position, and horizontal and vertical mergers.</p> <p>Although it is a voluntary Code of Conduct aimed at promoting competition in the South African automotive industry, the</p>

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	<ul style="list-style-type: none"> The Act provides for a mechanism for the approval, evaluation and control of mergers. 	<p>signatories to the <i>Code of Conduct for Competition in the South African Automotive Industry</i> commit to advancing of the objectives of the <i>Competition Act 89 of 1998</i>.</p>
	<p><i>Code of Conduct for Competition in the South African Automotive Industry (as at 01 August 2018)</i></p> <ul style="list-style-type: none"> Scope of the Code: <ul style="list-style-type: none"> The purpose of the Code is to address constraints to competition in the automotive aftermarket industry; to increase consumer choice; and to facilitate competition and competitive pricing in the markets. Key points for suppliers: <ul style="list-style-type: none"> Dealers that sell new motor vehicles and products of competing original equipment manufacturers should not engage in price co-ordination. Different individuals within a dealership should determine the prices of competing motor vehicles and products. <p>http://www.compcom.co.za/automotive-code-of-conduct/</p>	
<p>7. Conflicts of Interest</p>	<p>Section 75 of the <i>Companies Act 71 of 2008</i></p> <ul style="list-style-type: none"> Scope of the Section: <ul style="list-style-type: none"> Directors have certain fiduciary duties, including the duty to act in the best interests of the company, which consequently includes the duty to prevent a conflict of interest between the director and the company. The disclosure and procedural obligations – as well as the consequences of non-compliance – that are 	<p>In South African law, there is an accepted principle that a director is bound to put the interests of the company before her or his own personal interests. Therefore, one of the recognised fundamental duties of a director is to avoid any conflict of interests with the company.</p> <p>Section 75 of the <i>Companies Act 71 of 2008</i> goes even further than the Guiding Principles and Practical Guidance by requiring directors to not only disclose their own personal financial interests, but also those of parties related to</p>

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	<p>imposed on directors who (or whose related persons) have a personal financial interest that conflicts with the interests of the company are regulated under section 75 of the Act.</p> <ul style="list-style-type: none"> • Section 75 applies to registered directors, alternate directors and prescribed officers and members of board committees regardless of whether such persons are members of the board or not • Although not registered as directors, managing directors and “de-facto” directors are bound by section 75. • Section 75 will not apply in instances where the sole director is also the sole holder of all the company’s securities and shares. <p>○ Key points for suppliers:</p> <ul style="list-style-type: none"> • All Directors are strongly encouraged to have intimate knowledge of the requirements of Section 75 due to its broad scope and the serious consequences of non-compliance with it. <p>https://www.gov.za/documents/companies-act</p>	<p>them (including natural and juristic persons). Thus, the application of section 75 is extremely broad.</p>
	<p><i>King IV Report on Corporate Governance for South Africa, 2016</i></p> <p>○ Scope of the Report:</p> <ul style="list-style-type: none"> • The Report recommends practices that promote independence and prevent conflict of interest. <p>○ Key points for suppliers:</p>	

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	<ul style="list-style-type: none"> • Member of the governing body should individually and collectively cultivate integrity by avoiding conflicts of interest. • Conflict that cannot be avoided should be fully disclosed to the governing body at the earliest opportunity. • In relation to the composition of the governing body, particularly independence and conflicts, King IV recommends that all members should be required to declare whether a conflict of interest in respect of a matter on the agenda would arise at the beginning of each meeting of the governing body or its committees. • The governing body, subject to legal provisions, should determine and proactively manage conflict of interest matters. <p>https://c.ymcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/loDSA_King_IV_Report_-_WebVersion.pdf</p>	
<p>8. Counterfeit Parts</p>	<p><i>Counterfeit Goods Act 37 of 1997</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The Act is aimed at combatting the trade in counterfeit goods in order to protect the owners of trade marks, copyright and certain marks under the <i>Merchandise Marks Act 17 of 1941</i>. • It also prohibits certain acts with respect to counterfeit goods and the possession of counterfeit goods in certain circumstances ○ Key points for suppliers: 	<p>The provisions of legislation and Code are aligned with the requirements set out Guiding Principles and Practical Guidance.</p> <p>The Guiding Principles and Practical Guidance further require companies to confirm that “any sales to non-OEM customers are compliant with local laws and those products sold will be used in a lawful manner.”</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • The Act defines counterfeit goods “goods that are the result of counterfeiting, and includes any means used for purposes of counterfeiting”. <p>https://www.gov.za/documents/counterfeit-goods-act</p> <hr/> <p><i>Merchandise Marks Act 17 of 1941</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The purpose of the Act is to make provision concerning the marking of merchandise and coverings in or with which merchandise is sold, as well as the use of certain words and emblems in connection with business. • A person uses a mark or trade mark if he or she uses it either in connection with his or her trade, business, profession or occupation or in connection with a mark, trade mark or trade description applied by the person to goods made, produced or sold by him or her. ○ Key points for suppliers: <ul style="list-style-type: none"> • There are certain instances in which a person may not use certain marks or trademarks without the requisite authorisation. • Note that this does not apply to a trademark registered before 1 February 1941. <p>https://www.gov.za/documents/merchandise-marks-act-17-apr-1941-0000</p> <hr/> <p><i>Code of Conduct for Competition in the South African Automotive Industry (as at 01 August 2018)</i></p> <ul style="list-style-type: none"> ○ Scope of the Code: 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • One of the specific objectives of the Code are to increase consumer choice and facilitate competition and competitive pricing for new vehicles, spare parts and value-added products in the market. ○ Key points for suppliers: <ul style="list-style-type: none"> • The above objective will be achieved by making certain that there are no unfair restrictions on the sale or distribution of original spare parts; and by enabling greater consumer choice in suitable spare parts for repairs and maintenance of their motor vehicles. <p>http://www.compcom.co.za/automotive-code-of-conduct/</p>	
<p>9. Intellectual Property</p>	<p><i>Counterfeit Goods Act 37 of 1997</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The Act empowers the Commissioner for Customs and Excise and his or her staff to seize and detain counterfeit goods or suspected counterfeit goods imported into or entering South Africa during a particular period and calculated to infringe an intellectual property right after granting an application by the owner of an intellectual property right. ○ Key points for suppliers: <ul style="list-style-type: none"> • Intellectual property owners that have: registered trademarks; unregistered well-known trademarks; copyright works (provided that the subsistence of copyright in the work is proven); and prohibited marks under the Merchandise Marks Act are protected by the Act. 	<p>South African legislation on intellectual property is similar to the requirements in the Guiding Principles and Practical Guidance. For example, the owner of an intellectual property right has certain rights protected under legislation. In addition, an original equipment manufacturer will be entitled to impose reasonable conditions in instances where it discloses proprietary information or other intellectual property belonging to it.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p data-bbox="551 284 1178 312">https://www.gov.za/documents/counterfeit-goods-act</p> <p data-bbox="551 376 1178 437"><i>Code of Conduct for Competition in the South African Automotive Industry (as at 01 August 2018)</i></p> <ul data-bbox="573 472 1290 1088" style="list-style-type: none"> <li data-bbox="573 472 842 501">○ Scope of the Code: <ul data-bbox="595 536 1290 807" style="list-style-type: none"> <li data-bbox="595 536 1290 807">• The Code provides that original equipment manufacturers may not enter into any agreements with manufacturers or suppliers of spare parts, components, tools or equipment in order to restrict the manufacturer or supplier's ability to sell those goods to service providers or end users, This does not include spare parts, tools or components that are protected by intellectual property rights or are linked to a motor vehicle's security systems. <li data-bbox="573 839 909 868">○ Key points for suppliers: <ul data-bbox="595 903 1290 1088" style="list-style-type: none"> <li data-bbox="595 903 1290 1088">• An original equipment manufacturer will be entitled to impose reasonable conditions, including the requirement that the ISP must sign a confidentiality undertaking, in instances where it discloses proprietary information or other intellectual property belonging to it. <p data-bbox="551 1120 1223 1149">http://www.compcom.co.za/automotive-code-of-conduct/</p> <p data-bbox="551 1212 954 1241"><i>The Trade Marks Act 194 of 1993</i></p> <ul data-bbox="573 1276 1267 1430" style="list-style-type: none"> <li data-bbox="573 1276 819 1305">○ Scope of the Act: <ul data-bbox="595 1340 1267 1430" style="list-style-type: none"> <li data-bbox="595 1340 1267 1430">• The Act provides for the registration of trade marks, certification trademarks, collective trademarks, and other incidental matters. 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> ● A trademark should be capable of distinguishing the goods or services of a person in respect of which it is registered or proposed to be registered from the goods or services of another person in order to be registrable. ● It is important to note that, subject to the provisions of section 70, this Act shall apply to all trademarks registered or deemed to be registered under the repealed Act and all applications and proceedings that commenced under the repealed Act shall be dealt with in accordance with the provisions of that Act as if it had not been repealed. <p>https://www.gov.za/documents/trade-marks-act</p> <p><i>Copyright Act 98 of 1978</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The purpose of the Act is to regulate copyright and to provide for incidental matters. ● Amongst others and subject to the provisions of this Act, the following original works shall be eligible for copyright: artistic works, cinematograph films, sound recordings, broadcasts, programme-carrying signals, published editions and computer programs. ○ Key points for suppliers: <ul style="list-style-type: none"> ● A work, With the exception of a broadcast or programme-carrying signal, a work shall not be eligible for copyright unless it has been reduced to writing, recorded, represented in digital data or signals or otherwise reduced to a material form. 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	https://www.gov.za/documents/copyright-act-16-apr-2015-0942	
10. Export Controls and Economic Sanctions	<p><i>Counterfeit Goods Act 37 of 1997</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Act is aimed at combatting the trade in counterfeit goods. ○ Key points for suppliers: <ul style="list-style-type: none"> ● The Commissioner for Customs and Excise and his or her staff are empowered to seize and detain counterfeit goods or suspected counterfeit goods imported into or entering South Africa during a particular period. <p>https://www.gov.za/documents/counterfeit-goods-act</p> <hr/> <p><i>Customs and Excise Act 91 of 1964</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The purpose of the Act is to provide for the levying of customs and excise duties, fuel, Road Accident Fund and environmental levy, as well as air passenger tax. ● It is also aimed at the prohibition and control of the importation, export, manufacture or use of certain goods and for matters incidental thereto. ○ Key points for suppliers: <ul style="list-style-type: none"> ● Ensure clear understanding of all requirements in the Act, including: <ul style="list-style-type: none"> ▪ powers of the commissioner and officers; 	<p>Compared with the Guiding Principles and Practical Guidance, the South African legislation on export controls and associated tax is very comprehensive.</p> <p>Although comprehensive and useful, the Guiding Principles do not deal with all the legal details associated with VAT and, therefore, cannot be used as a legal reference.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> ▪ importation, exportation and transit, as well as coastwise carriage of goods; ▪ licensing of, and manufacture and storage of goods in, excise warehouses; ▪ liability for and payment of duties; ▪ environmental and health promotion levies; and ▪ anti-dumping, countervailing and safeguard duties and other measures. <p>https://www.gov.za/documents/customs-and-excise-act-31-jul-1964-0000</p> <p><i>Guide on Taxation in South Africa, 2018</i></p> <ul style="list-style-type: none"> ○ Scope of the Guide: <ul style="list-style-type: none"> • The guide provides an overview of the most significant tax legislation administered in South Africa by the Commissioner for the South African Revenue Service (SARS). ○ Key points for suppliers: <ul style="list-style-type: none"> • The drafts of the Guide note that it would be advisable for users of the Guide to verify the tax rates with the relevant legislation pertaining to that rate, applicable to the tax, customs or excise concerned. <p>http://www.sars.gov.za/AllDocs/OpsDocs/Guides/LAPD-Gen-G01%20-%20Taxation%20in%20South%20Africa.pdf</p> <p><i>VAT 420 Guide for Motor Dealers, 2016</i></p> <ul style="list-style-type: none"> ○ Scope of the Guide: 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • This Guide looks into the application of VAT legislation in the context of vendors that supply motor cars and other vehicles (motor dealers). • It expands on the application of the normal VAT principles in relation to specific types of transactions that motor dealers and the motor industry in general would find to be of interest. <ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> • The information in this Guide should be read together with the <i>VAT 404 Guide for Vendors, 2017</i> (see below). • Importantly, motor dealers that are involved in exporting vehicles should understand the distinction between direct and indirect exports, as well as new and second-hand motor vehicles that are exported, as the VAT treatment differs. <p>http://www.sars.gov.za/AllDocs/OpsDocs/Guides/LAPD-VAT-G09%20-%20VAT%20420%20Guide%20for%20Motor%20Dealers.pdf</p> <p><i>VAT 404 Guide for Vendors, 2017</i></p> <ul style="list-style-type: none"> ○ Scope of the Guide: <ul style="list-style-type: none"> • The Guide is based on the Value-Added Tax Act 89 of 1991 and the Tax Administration Act 28 of 2011. ○ Key points for suppliers: <ul style="list-style-type: none"> • When using the Guide, please note that the VAT rate is currently 15% and not 14% as indicated in the Guide. <p>http://www.sars.gov.za/AllDocs/OpsDocs/Guides/LAPD-VAT-G02%20-%20VAT%20404%20Guide%20for%20Vendors.pdf</p>	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>The <i>Tax Administration Act 28 of 2011</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The purpose of Act, which only deals with the administration of tax, is to ensure effective and efficient tax collection. ● It also seeks to incorporate administrative provisions that are generic to all tax Acts, remove redundant and duplicate administrative provisions, and harmonise the provisions into one piece of legislation. ○ Key points for suppliers: <ul style="list-style-type: none"> ● The Act enhances clarity on the requirements set out in the administrative provisions of the tax Acts, which makes compliance easier and less difficult to understand. <p>https://www.gov.za/documents/tax-administration-act</p> <p><i>Short Guide to the Tax Administration Act, 2011 (Act No. 28 of 2011)</i></p> <ul style="list-style-type: none"> ○ Scope of the Guide: <ul style="list-style-type: none"> ● This Guide is aimed at assisting taxpayers to understand their obligations and entitlements under the Tax Administration Act 28 of 2011. ○ Key points for suppliers: <ul style="list-style-type: none"> ● The following administrative provisions remain in the tax Acts: 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> ▪ The time when the obligation to register for a tax type and to submit a return arises; ▪ Records that must be retained for specific to a tax type; ▪ When the payment obligation arises; ▪ When percentage based administrative non-compliance penalties may be imposed and the percentage; and ▪ Certain tax type specific criminal offences. <p>http://www.sars.gov.za/AllDocs/OpsDocs/Guides/LAPD-TAdm-G01%20-%20Short%20Guide%20to%20the%20Tax%20Administration%20Act%202011.pdf</p> <p><i>Rules to the Customs and Excise Act, 1995</i></p> <ul style="list-style-type: none"> ○ Scope of the Rules: <ul style="list-style-type: none"> • These Rules establish reporting requirements provided for in section 8, read with section 120 (1) (c) and (o) of the <i>Customs and Excise Act 91 of 1964</i> with regard all cargo on board vessels, aircraft, trains and trucks arriving in and leaving South Africa. ○ Key points for suppliers: <ul style="list-style-type: none"> • A person that is required to submit reporting documents must apply for registration as a person submitting reporting documents, in spite of being registered or licensed under any other provision of the <i>Customs and Excise Act 91 of 1964</i>. <p>http://www.sars.gov.za/Legal/Secondary-Legislation/Rule-Amendments/Pages/default.aspx</p>	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p><i>International Trade Administration Act 71 of 2002</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The objective of the Act is to foster economic growth and development in South Africa and within the Common Customs Area by creating a system for the administration of international trade that is efficient and effective. ○ Key points for suppliers: <ul style="list-style-type: none"> ● The Minister is empowered to regulate the importation and exportation of goods of a specified class or kind ● Suppliers must ensure that they understand and comply with the provisions of the following regulations made in terms of section 59 of the International Trade Administration Act: <ul style="list-style-type: none"> ▪ Anti-Dumping Regulations, 2003 ▪ Countervailing Regulations, 2005 ▪ Amended Safeguard Regulations, 2005 <p>Act: http://www.itac.org.za/upload/International%20Trade%20Administration%20Act.pdf</p> <p>Regulations: http://www.itac.org.za/pages/services/trade-remedies/regulations</p>	
<p>11. Protection of Identity and Non-Retaliation</p>	<p><i>Protected Disclosures Act 26 of 2000</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Act makes provision for the protection of both former and current employees who blow the whistle 	<p>The requirements of the Guiding Principles and Practical Guidance are similar to the provisions in legislation. For example, the <i>Protected Disclosures Act 26 of 2000</i> protects disclosure of information if it is made to certain persons; provides for remedies in the event of occupational detriment; and provides for additional protection of employees.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>from “occupational detriment” by employers when making certain “protected disclosures”</p> <ul style="list-style-type: none"> • The Act further indicates that the purpose of the legislation is to: <ul style="list-style-type: none"> ▪ protect employees and workers who blow the whistle; ▪ provide for remedies for whistle blowers against certain occupational detriment; ▪ provide procedures for whistle blowers to disclose information of improprieties in a responsible manner; and ▪ create a culture facilitating the disclosure of information by employees and workers relating to criminal and other irregular conduct in the workplace in a responsible manner. ○ Key points for suppliers: • “Occupational detriment” from which the whistle blower is protected include: <ul style="list-style-type: none"> ▪ Undergoing any disciplinary action, dismissal, suspension, demotion, harassment or intimidation; ▪ Forced transfer or being refused transfer or promotion; ▪ Refusal of a reference, or provision of an adverse reference; ▪ Rejection of appointment to any employment, profession or office; ▪ Suffering a civil claim arising from their breach of any confidentiality requirement through the disclosure of a criminal act or a planned or current failure to comply with legislation. <p>http://www.justice.gov.za/legislation/acts/2000-026.pdf</p>	<p>King IV has explicit provisions on whistle-blowing mechanisms for persons wishing to disclose unethical conduct. It recommends the use of protected disclosure or whistle-blowing mechanisms to detect breaches of ethical standards and dealing with such disclosures appropriately. The Practical Guidance states that companies shall develop and implement grievance mechanisms and that they shall assure that employees and business associates will not be subject to termination, threats, harassment or other adverse action on by reason of making a grievance report. Companies shall also provide appropriate disciplinary action against those who seek to take retaliatory action against a person “blowing the whistle”. The Guiding Principles and Practical Guidance set more specific expectations of companies on the protection of identity and non-retaliation than King IV.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p><i>King IV Report on Corporate Governance for South Africa, 2016 (King IV)</i></p> <ul style="list-style-type: none"> ○ Scope of the Report: <ul style="list-style-type: none"> ● One of the principles in the Report is the responsibility of the governing body to govern the organisations ethics in a manner that supports the establishment of an ethical culture. ○ Key points for suppliers: <ul style="list-style-type: none"> ● King IV recommends that the governing body should oversee the management of ethics on an ongoing basis and, in particular, ensure that it results in the application of protected disclosure or whistle-blowing mechanisms to detect breaches of ethical standards and to deal with disclosures in an appropriate manner. <p>https://c.ymcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/loDSA_King_IV_Report_-_WebVersion.pdf</p>	

Expectations towards suppliers as defined in the Guiding Principles and local legislation

2. Working Conditions and Human Rights

Guiding Principles: Companies should respect the human rights of workers, and treat all people with dignity as recognized by the international community.

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
<p>12. Child Labour/Labour and Young Workers</p>	<p><i>Constitution of the Republic of South Africa Act 108 of 1996</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Constitution is the supreme law of the Republic and any law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. ○ Key points for suppliers: <ul style="list-style-type: none"> ● Chapter 2 of the Constitution titled “The Bill of Rights” provides that every child has the right to be protected from exploitative labour practices. <p>http://www.justice.gov.za/legislation/constitution/SACConstitution-web-eng.pdf</p> <hr/> <p><i>Basic Conditions of Employment Act 75 of 1997 as amended by Act 11 of 2002</i></p> <ul style="list-style-type: none"> ○ Scope of the Regulation: <ul style="list-style-type: none"> ● The Act is aimed at the advancement of economic development and social justice by establishing and enforcing basic conditions of employment and regulating the variation thereof. ○ Key points for suppliers: <ul style="list-style-type: none"> ● No person shall employ a child who is under 15 years of age or who is under the minimum school leaving 	<p>The Guiding Principles specify the expectation for companies to ensure that child labour is not tolerated in any form. The Principles also provide that the age of employment for young workers must meet or exceed company guidelines, legal regulations as well as local labour laws. In addition, the Practical Guidance specifies that companies may not employ young workers for hazardous work, night time or over time work. Young workers should be protected from violence and abuse. The Guiding Principles also specify that companies should support student’s learning and personal development: the use of workplace apprenticeship and student learning programs should be supported by companies. Student’s rights should be protected in accordance to the laws and make sure that the work does not affect a young worker’s personal development (health, physical, mental or social development).</p> <p>The Constitution, which is the supreme law in South Africa to which all other legislation must abide, provides that every child has a right to be protected from exploitative labour practices.</p> <p>In terms of the Children’s Act, which is aimed at protecting the rights of children in South Africa, a child is defined as anyone below the age of 18. It provides therefore that no one may procure anyone under the age of 18 for labour purposes.</p> <p>In terms of the Basic Conditions of Employment Act, No one may employ children who are below the age of 15. Furthermore, the Minister may regulate the employment of children who are older than 15.</p> <p>The Guiding Principles and Practical Guidance are therefore aligned with the legislation in this regard.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>age in terms of any law if the stipulated age is older than 15.</p> <ul style="list-style-type: none"> The Minister may make regulations to prohibit or place conditions on the employment of children who are at least 15 years of age and no longer subject to compulsory schooling. <p>http://www.labour.gov.za/DOL/downloads/legislation/acts/basic-conditions-of-employment/Amended%20Act%20-%20Basic%20Conditions%20of%20Employment.pdf</p> <hr/> <p><i>Children's Act 38 of 2005</i></p> <ul style="list-style-type: none"> Scope of the Act: <ul style="list-style-type: none"> The Act aims to give effect to certain rights of children as contained in the Constitution and to set out principles relating to the care and protection of children. Key points for suppliers: <ul style="list-style-type: none"> No person may procure, offer or employ a child for child labour. A child in the Act is defined as a person who is under the age of 18. <p>http://www.justice.gov.za/legislation/acts/2005-038%20childrensact.pdf</p>	
<p>13. Wages and Benefits</p>	<p><i>Basic Conditions of Employment Act 75 of 1997 as amended by Act 11 of 2002</i></p> <ul style="list-style-type: none"> Scope of the Act: <ul style="list-style-type: none"> The Act is aimed at the advancement of economic development and social justice by establishing and 	<p>In terms of the Basic Conditions of Employment Act, employers must pay employees in money on a daily, weekly, fortnightly or monthly basis, and that that employees who work overtime or on Sundays must be remunerated at a higher rate than the employee's normal wages. It further provides that an employer must give an employee information about remuneration in writing on each day the employee is paid.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>enforcing basic conditions of employment and regulating the variation thereof.</p> <ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> • An employer must pay an employee any remuneration in money on a daily, weekly, fortnightly or monthly basis by cash, cheque or by direct deposit into an account designated by the employee. It further provides that an employer may not require an employee to work overtime except by agreement and provided that: <ul style="list-style-type: none"> ▪ The employee does not work more than 10 hours overtime a week; ▪ The employee does not work more than 12 hours a day; ▪ The employer must pay the employee at least one and half times the employee's wages for overtime worked. • Employees who work on a Sunday must be paid double the employees rate per hour, unless the employee ordinarily works on a Sunday in which case the employer must pay the employee one and a half times the employee's wage. <p>http://www.labour.gov.za/DOL/downloads/legislation/acts/basic-conditions-of-employment/Amended%20Act%20-%20Basic%20Conditions%20of%20Employment.pdf</p> <p><i>National Minimum Wage Act 9 of 2018</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The aim of the Act is to advance economic development and social justice by improving wages of the lowest paid workers, protecting workers from unnecessarily low wages, preserving the value of the 	<p>This is in line with the Practical Guidance, which specifies that companies should provide workers a wage statement that includes adequate information to verify compensation for work performed for each pay period.</p> <p>The National Minimum Wage Act, which applies to all employees and employers, provides that employers may not pay to their employees any amount that is less than the minimum wage. Schedule 1 of the Act stipulates that the current minimum wage is R20 per ordinary hours. This is with the exception of some employees, such as employees who have concluded apprenticeship agreements.</p> <p>The Unemployment Insurance and Unemployment Insurance Contributions Acts provide for a benefit that is due to employees. The Acts provide that all employers must register their employees with the Unemployment Insurance Fund. The contributions must be paid to the fund by the employer within 7 days of collection from the employee's wages.</p> <p>According to the Practical Guidance, the use of temporary, outsourced labour should be in accordance with applicable local laws and regulations. The relevant local legislation includes the Basic Conditions of the Employment Act, the Labour Relations Act, the Labour Relations Amendment Act and the National Minimum Wage Act.</p> <p>The Guiding Principles states that companies should provide compensation and benefits to employees that comply with the local laws. As such, they are in alignment with the local legislation.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>national minimum wage and promoting collective bargaining.</p> <ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> • Every worker is entitled to payment of a wage in an amount no less than the national minimum wage. • Every employer must pay wages to its workers that is no less than the national minimum wage. <p>http://www.labour.gov.za/DOL/legislation/acts/national-minimum-wage/national-minimum-wage</p> <p><i>Labour Relations Amendment Act 6 of 2014</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The purpose of this Act includes: to amend the Labour Relations Act 1995; to provide greater protection for workers placed in temporary employment services; and to regulate the employment of fixed term contracts and part-time employees earning below the earnings threshold determined by the Minister. ○ Key points for suppliers: <ul style="list-style-type: none"> • The Act places significant restrictions on the use of ‘non-standard’ employees, including fixed term and part time contracts. • Although some exceptions apply, employment in terms of a fixed term contract, whether newly concluded or renewed, for longer than 3 months will be deemed to become permanent employment. • Section 198, which provides for temporary service, fixed term contracts and part-time employment, does not apply to employees who earn in excess of the earnings threshold, which is currently R205,433 per year. 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p data-bbox="555 284 1292 343">https://www.gov.za/sites/default/files/gcis_document/201501/37921gon629.pdf</p> <p data-bbox="555 406 1043 435"><i>Unemployment Insurance Act, 63 of 2001</i></p> <ul style="list-style-type: none"> <li data-bbox="555 470 801 499">○ Scope of the Act: <ul style="list-style-type: none"> <li data-bbox="600 534 1292 715">● The Act establishes the Unemployment Insurance Fund which aims to provide for the payment from the Fund of unemployment benefits to certain employees, and for the payment of illness, maternity, adoption and dependant's benefits related to the unemployment of such employees. <li data-bbox="555 750 887 778">○ Key points for suppliers: <ul style="list-style-type: none"> <li data-bbox="600 813 1292 1145">● The Act requires employers to register all employees with the Unemployment Insurance Fund (UIF) and to make monthly contributions on behalf of the employees to the fund. The requirement excludes the following categories of employees: <ul style="list-style-type: none"> <li data-bbox="696 965 1292 1024">▪ Those working less than 24 hours a month for an employer. <li data-bbox="696 1029 1272 1058">▪ Learnerships (the equivalent to apprentices). <li data-bbox="696 1062 936 1091">▪ Public servants. <li data-bbox="696 1096 1218 1125">▪ Foreign nationals working on a contract. <li data-bbox="696 1129 1173 1158">▪ Workers who only earn commission. <p data-bbox="555 1181 1292 1240">http://www.labour.gov.za/DOL/legislation/acts/unemployment-insurance-fund/unemployment-insurance-act-no-63-of-2001</p> <p data-bbox="555 1305 1245 1334"><i>Unemployment Insurance Contributions Act, No. 4 of 2002</i></p> <ul style="list-style-type: none"> <li data-bbox="555 1369 801 1398">○ Scope of the Act: 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • The aim of the Act is to provide for the imposition and collection of contributions for the benefit of the Unemployment Insurance Fund. ○ Key points for suppliers: <ul style="list-style-type: none"> • The Act requires employers to make a monthly payment to the UIF on behalf of their employees, which consists of both an employee contribution of 1% of the employee's monthly remuneration as well as a further 1% of the employee's monthly remuneration as an employer contribution. <p>http://www.labour.gov.za/DOL/legislation/acts/unemployment-insurance-fund/unemployment-insurance-contributions-act</p>	
<p>14. Working Hours</p>	<p><i>Basic Conditions of Employment Act 75 of 1997 as amended by Act 11 of 2002</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The Act is aimed at the advancement of economic development and social justice by establishing and enforcing basic conditions of employment and regulating the variation thereof. ○ Key points for suppliers: <ul style="list-style-type: none"> • An employer may not permit or require an employee to work: <ul style="list-style-type: none"> ▪ 45 hours in any week; ▪ Nine hours in any day if the employee works for five days or fewer in a week; or ▪ Eight hours in any day if the employee works on more than five days in a week. 	<p>The basic conditions of employment provide for the maximum amount of hours that an employee may work. The Guiding Principles do not have any specific provisions in this regard but instead, leverage the provisions as set by the local legislation. The Practical Guidance further recommends that companies ensure that any hours worked beyond the normal work week are voluntary, unless a collective bargaining agreement allows for required time under certain conditions and /or, if lawful in exceptional circumstances. As such, there is alignment between the Guiding Principles and the legislation.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> An employee's working hours may be extended by agreement by up to 15 minutes a day but no more than 60 minutes in a week. <p>http://www.labour.gov.za/DOL/downloads/legislation/acts/basic-conditions-of-employment/Amended%20Act%20-%20Basic%20Conditions%20of%20Employment.pdf</p>	
<p>15. Forced Labour</p>	<p><i>Basic Conditions of Employment Act 75 of 1997 as amended by Act 11 of 2002</i></p> <ul style="list-style-type: none"> Scope of the Act: <ul style="list-style-type: none"> The Act is aimed at the advancement of economic development and social justice by establishing and enforcing basic conditions of employment and regulating the variation thereof. Key points for suppliers: <ul style="list-style-type: none"> All forced labour is prohibited and therefore no person may for his or her own benefit or for the benefit of someone else cause, demand or impose forced labour on another <p>http://www.labour.gov.za/DOL/downloads/legislation/acts/basic-conditions-of-employment/Amended%20Act%20-%20Basic%20Conditions%20of%20Employment.pdf</p> <p><i>Constitution of the Republic of South Africa Act 108 of 1996</i></p> <ul style="list-style-type: none"> Scope of the Act: <ul style="list-style-type: none"> The Constitution is the supreme law of the Republic and any law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. 	<p>The Guiding Principles state that companies must prohibit any kind of forced labour, including human trafficking and child labour. Similarly, the Constitution, as well as the Basic Conditions of Employment, state that no one may be subjected to servitude, slavery or forced labour. In addition, the UK Modern Slavery Act has been considered for suppliers working with UK companies, which also states that no one may be subjected to servitude, slavery or forced labour.</p> <p>In addition, the Practical Guidance notes that companies and agents should not hold, destroy, conceal, confiscate or deny access to employee identity documents unless required by applicable law; companies should ensure that workers are not required to pay recruitment fees or related fees of any type for employment; and companies should ensure all workers receive a written contract or ensure they understand the terms of employment in a language well understood by the worker.</p> <p>As such, the Guiding Principles and Practical Guidance are aligned to the local legislation and the UK Modern Slavery Act, with the Practical Guidance containing more detail on employee documents and recruitment or related fees.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> ○ Key points for suppliers: <ul style="list-style-type: none"> ● No one may be subjected to slavery, servitude or forced labour. <p>http://www.justice.gov.za/legislation/constitution/SACConstitution-web-eng.pdf</p> <hr/> <p><i>UK Modern Slavery Act 2015</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Act is aimed to make provision about slavery, servitude and forced or compulsory labour and about human trafficking, including provision for the protection of victims; to make provision for an Independent Anti-slavery Commissioner; and for connected purposes. ○ Key points for suppliers: <ul style="list-style-type: none"> ● No one may be subjected to slavery, servitude or forced labour. <p>http://www.legislation.gov.uk/ukpga/2015/30/pdfs/ukpga_20150030_en.pdf</p>	
<p>16. Freedom of Association</p>	<p><i>Constitution of the Republic of South Africa Act 108 of 1996</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> ● The Constitution is the supreme law of the Republic and any law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. ○ Key points for suppliers: 	<p>The Constitution of South Africa grants workers the right to form and join trade unions and participate in connected activities. The same sentiment is echoed in the Labour relations Act.</p> <p>Similarly, the Guiding Principles provide that companies should allow workers the freedom to associate as they wish and to join trade unions and other forums should they so wish. In addition, the Guiding Principles are aligned with legislation,</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • Every worker has the right to form and join a trade union, to participate in the activities and programmes of a trade union and to strike. <p>http://www.justice.gov.za/legislation/constitution/SACConstitution-web-eng.pdf</p>	<p>in that they state that employees should be free to communicate freely with management without fear of intimidation or harassment.</p> <p>As such, companies should, in alignment with the Guiding Principles and local legislation in this regard, ensure that employees are given the freedom to associate as they wish and the opportunity to communicate freely with management.</p>
	<p><i>Labour Relations Act 65 of 1995</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The purpose of the Act is to address, among other things, the regulation of organisational rights of trade unions; the promotion and facilitation of collective bargaining at the workplace and at sectoral level; the regulation of the right to strike and the recourse to lockout in conformity with the Constitution; and the promotion of employee participation in decision-making through the establishment of workplace forums. ○ Key points for suppliers: <ul style="list-style-type: none"> • Employees have the right to participate in forming a trade union or federation of trade unions; and to join a trade union, subject to its constitution. <p>http://www.labour.gov.za/DOL/legislation/acts/labour-relations/labour-relations-act</p>	
<p>17. Health and Safety</p>	<p><i>Occupational Health and Safety Act 181 of 1993</i></p> <ul style="list-style-type: none"> ○ Scope of the Section: 	<p>The Guiding Principles state that companies should ensure that employees are provided with a safe working environment that meets or exceeds the standards of the local laws. The Guiding Principles emphasize that working conditions that are</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • The Act provides for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery and for the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work. ○ Key points for suppliers: <ul style="list-style-type: none"> • Every employer shall provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to the health of his employees. <p>http://www.labour.gov.za/DOL/legislation/acts/occupational-health-and-safety/occupational-health-and-safety-act-and-amendments</p>	<p>safe and without risk should exceed what is expected by legislation.</p> <p>South African legislation states similarly that employers must maintain a working environment that is safe and without risk to the health of employees. The legislation goes further to provide that employees have a right to be informed of the possible hazards that may occur as a result of the work conducted or the environment in which the work is to be conducted. Companies must therefore ensure, in alignment with the legislation, the maintenance of a working environmental that is safe and without risk to the health of its employees. Employees must further be provided with such information, instructions, training and supervision as may be necessary to ensure their health and safety at work. Equipment or information should be easily accessible, in place and up to date and available in the local language (to ensure that it is understood by everyone).</p> <p>In addition, emergency exits, fire detection, alarm and suppression systems should be in place and operational at all times. Fire drills should be performed according to legal requirements.</p>
<p>18. Harassment</p>	<p><i>Employment Equity Act 55 of 1998</i></p> <ul style="list-style-type: none"> ○ Scope of the Act: <ul style="list-style-type: none"> • The Act aims to provide for employment equity through the promotion of the constitutional right to equality, the exercise of true democracy, the elimination of unfair discrimination in employment and ensuring the implementation of employment equity to redress the effects of discrimination. ○ Key points for suppliers 	<p>The Guiding Principles provide that companies should provide a work environment that is free from harassment of any kind, which is specified as following: Companies should ensure that there is no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements should be clearly defined and communicated to workers.</p> <p>Similarly, the Employment Equity Act prohibits harassment in the work place and provides further that harassment is a form</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> Harassment of an employee is a form of unfair discrimination and is prohibited on any one or a combination of grounds of unfair discrimination. <p>http://www.labour.gov.za/DOL/legislation/acts/employment-equity/employment-equity-act</p>	<p>of unfair discrimination. The Guiding Principles are therefore aligned to the local legislation in this regard.</p>
<p>19. Non-discrimination</p>	<p><i>Employment Equity Act 55 of 1998</i></p> <ul style="list-style-type: none"> Scope of the Act: <ul style="list-style-type: none"> The Act aims to provide for employment equity through the promotion of the constitutional right to equality, the exercise of true democracy, the elimination of unfair discrimination in employment and ensuring the implementation of employment equity to redress the effects of discrimination. Key points for suppliers: <ul style="list-style-type: none"> Every employer must take steps to promote equal opportunity in the workplace by eliminating unfair discrimination in any employment policy or practice. No person may unfairly discriminate, directly or indirectly against and employee in any employment policy or practice on one or more grounds including race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origins, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language and birth. <p>http://www.labour.gov.za/DOL/legislation/acts/employment-equity/employment-equity-act</p>	<p>The Guiding Principles state that companies should not tolerate any kind of discrimination and goes further to stipulate the specific grounds on which employees may not be discriminated. This principle is aligned to the South African legislation relating to non-discrimination of employees. The Guiding Principle echoes the grounds stipulated in the legislation and go even to further provide additional grounds such as veteran status and genetic information. Therefore, companies should ensure that they comply with the provisions of the Guiding Principles in the treatment of their employees, which are in alignment with the local legislation.</p>

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3. Environment

Guiding Principles: Companies are expected to support a proactive approach to environmental responsibility by protecting the environment, conserving natural resources and reducing the environmental footprint of their production, products and services throughout their life-cycle.

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
<p>1. Energy Consumption & Greenhouse Gas Emissions</p>	<p><i>National Greenhouse Gas Emission Reporting Regulations of National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004)</i></p> <ul style="list-style-type: none"> ○ Scope of Regulation: <ul style="list-style-type: none"> ● Regulations is to introduce a single national reporting system for the transparent reporting of greenhouse gas emissions, which will be used. ○ Key points of supplier: <ul style="list-style-type: none"> ● A supplier that is classified as a Category A data provider in terms of regulation 4 (1) (a) of the Regulations must register all facilities where activities exceed the thresholds listed in Annexure 1 by providing the relevant information as listed in Annexure 2 to the Regulations. <p>https://www.environment.gov.za/sites/default/files/legislations/nemaqa39of2004_nationalgreenhousegasemissionreporting_gn40762_0.pdf</p> <p><i>GNR.283 of 2 April 2015: National Atmospheric Emission Reporting Regulations (Government Gazette No. 38633) of National Environmental Management: Air Quality Act No. 39 Of 2004.</i></p> <ul style="list-style-type: none"> ○ Scope of Regulation: <ul style="list-style-type: none"> ● Classification of emission sources and data providers. 	<p>The Regulation and Guidelines are higher as it refers to the national reporting system that each supplier needs to report under for the emission of greenhouse gases. The Regulation further details which category of supplier is supposed to register and report on the emission of greenhouse gases. Further to that, it highlights how the plan should be submitted and the Annual Progress Report.</p> <p>South Africa has a national atmospheric emissions inventory system in place that companies need to register with. Companies will need to have energy management systems in place if they are one of the industries that has to report on GHG emissions.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<ul style="list-style-type: none"> • A person classified as a data provider must register on the NAEIS within 30 days from the date upon which these Regulations came into effect. ○ Key point of supplier: • Emission sources and data providers are classified according to groups A to D listed in Annexure 1 to these Regulations and must register on the NAEIS. <p>https://cer.org.za/wp-content/uploads/2015/04/NAE-Reporting-Regs.pdf</p> <p><i>Guidelines for the Development of Pollution Prevention Plans In Respect of the Greenhouse Gases of the National Pollution Prevention Plans Regulations.</i></p> <ul style="list-style-type: none"> ○ Scope of Guidelines: • The purpose of these Guidelines for the Development of Pollution Prevention Plans in respect of GHGs is to provide guidance to persons submitting pollution prevention plans on the requirements prescribed in section 3 of the National Pollution Prevention Plans Regulations. ○ Key points to supplier: • Information that the supplier provided in the Pollution Prevention Plan and Annual Progress report to be submitted for the Ministers approval should be complete and true. <p>https://www.environment.gov.za/sites/default/files/legislations/pollutionpreventionplans_ghg_guidelines2018.pdf</p>	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>Technical Guidelines for monitoring, reporting and verification of Greenhouse Gas Emissions by industry read together with National Environmental Management: Air Quality Act (39/2004): National Greenhouse Gas Emission Reporting Regulations.</p> <ul style="list-style-type: none"> ○ Scope of guidelines: <ul style="list-style-type: none"> ● This Technical Guideline is to provide guidance to reporting companies on methodologies to apply when quantifying Greenhouse Gas emissions. ○ Key points to supplier: <ul style="list-style-type: none"> ● Suppliers to report their emissions to the government. ● Supplier to follow the Technical Guidelines in order to enable them to report GHG emissions information as required by the Regulations. <p>https://www.environment.gov.za/sites/default/files/legislations/technicalguidelinesformrvofemissionsbyindustry_0.pdf</p>	
<p>2. Water Quality & Consumption</p>	<p><i>National Water Act No. 36 of 1998 (Chapter 2)</i></p> <ul style="list-style-type: none"> ○ Scope of Act: <ul style="list-style-type: none"> ● This Chapter deals with the development of strategies to facilitate the proper management of water resources, such as the National water resource strategy and Catchment management strategies. ○ Key points to supplier: <ul style="list-style-type: none"> ● Follow directives of the minister which will be published in a government gazette. 	<p>The Act and the Guiding Principles are aligned because they both outline the strategies that the supplier will need to adhere to for the management of water resources. Suppliers are also encouraged to have a catchment management strategy. This is a compliance requirement, and failure to adhere will result in the supplier being guilty of an offence. Further to the above, the Act also speaks to the use of water in industrial institutions and that no supplier is permitted to use water from any water supply which has not been authorised.</p>

LEGISLATION SUMMARY: SOUTH AFRICA

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>http://www.energy.gov.za/files/policies/act_nationalwater36of1998.pdf</p> <hr/> <p><i>Water Services Act No. 108 of 1997 (Section 7)</i></p> <ul style="list-style-type: none"> ○ Scope of Act: <ul style="list-style-type: none"> • Industrial use of water. ○ Key points to supplier: <ul style="list-style-type: none"> • No person or industry may obtain water for industrial use from any source other than the distribution system of a water services provider nominated by the water services authority. <p>http://www.dwaf.gov.za/Documents/Legislature/a108-97.pdf</p>	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
<p>3. Air Quality</p>	<p><i>National Pollution Prevention Plans Regulations of National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004)</i> (Chapter 2 and 3)</p> <ul style="list-style-type: none"> ○ Scope of Regulation: <ul style="list-style-type: none"> • The purpose of these Regulations chapters is to prescribe compliance with the requirements that pollution prevention plans of greenhouse gases declared as priority air pollutants. ○ Key points for suppliers: <ul style="list-style-type: none"> • Must have a pollution prevention plan that must include the company registration details, the description production processes, greenhouse gases generated from production processes, total greenhouse gas emission, methodology to be used when monitoring, describe the mitigation measures based on the best information available at time. • The Pollution prevention Plan must cover the period from date of the promulgation of the Regulation and must be submitted to the Minister within 5 months of the promulgation of the regulations or within 5 months of existing plans being reconciled. The plan is valid for a period of 5 years and must be reviewed every 5 years thereafter. 	<p>The Regulation and the Guiding Principles are aligned, as they speak to the same principles that the supplier will need to adhere to. The Regulations speaks of a Pollution Prevention Plan that the supplier will need to establish, as well as the need to outline the appropriate controls to be monitored that will ensure that the methods used by the supplier will minimize and or eliminate the emissions of pollutants.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p><i>List of activities which result in atmospheric emissions which have or may have a significant detrimental effect on the environment, including health, social conditions, economic conditions, ecological conditions or cultural heritage of National Environmental Management: Air Quality Act, 2004 (Act No. 39 Of 2004) (Part 2)</i></p> <ul style="list-style-type: none"> ○ Scope of Notice: <ul style="list-style-type: none"> ● Minimum emission standards as contained in this Notice shall apply to both permanently operated plants and for experimental (pilot) plants with a design capacity equivalent to the one of a listed activity in the notice. ● Minimum emission standards are applicable under normal working conditions. ○ Key points of suppliers: <ul style="list-style-type: none"> ● New plant must comply with the new plant minimum emission standards as contained in Part 3 on the date of publication of this Notice. ● Existing plant must comply with minimum emission standards for existing plant as contained in Part 3 by 01 April 2015, unless where specified. ● Existing plant must comply with minimum emission standards for new plant as contained in Part 3 by 01 April 2020, unless where specified. <p>https://www.environment.gov.za/sites/default/files/legislations/listofactivities_atmospheric_emissions_0.pdf</p>	<p>The Act is higher and more detailed in the kind of noxious and offensive gasses that are to be controlled and it list them in Schedule 2 of the Act. The Practical Guidance does not mention the kind of gases that are prohibited and only is general to say Air Pollutants.</p>

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p><i>Atmospheric Pollution Prevention Act, 1965 (Act No. 45 of 1965). (Part V)</i></p> <ul style="list-style-type: none"> ○ Scope of notice: <ul style="list-style-type: none"> • A person who is an owner to a vehicle that emits fumes while it is driving on public road may be stopped and an examination to be conducted on the vehicle or be served with a written notice calling upon the vehicle to be examined and instructed to take the necessary steps in preventing the emission of the noxious or offensive gasses from the vehicle. ○ Key points to supplier: <ul style="list-style-type: none"> • Supplier to ensure that the vehicles are not emitting noxious or offensive gasses and non-compliance will be guilty of an offense. • Such vehicles may also upon notice be prohibited in using public roads. <p>https://www.up.ac.za/media/shared/600/LAS%20Legislation/air-pollution-prevention-act_17-april-1965.zp53523.pdf</p>	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
<p>4. Natural Resources Management and Waste Reduction</p>	<p><i>National Environmental Management: Waste Act No. 59 of 2008 (Section 17)</i></p> <ul style="list-style-type: none"> ○ Scope of Act: <ul style="list-style-type: none"> ● Any person who undertakes an activity involving the reduction, re-use, recycling or recovery of waste must, before, ensure that the reduction, re-use, recycling or recovery of the waste uses less natural resources than disposal of such waste and it is also not harmful to the environment. ○ Key points of suppliers: <ul style="list-style-type: none"> ● Suppliers must ensure that the reduction, re-use, recycling or recovery of the waste uses less natural resources than disposal of such waste and it is also not harmful to the environment. <p>https://www.environment.gov.za/sites/default/files/legislations/nema_amendment_act59.pdf</p>	<p>The Acts mentioned are aligned to the Guiding Principles because both speak on the waste management plan that needs to be established for the prevention, reduction, reuse, recovery, recycling, removal and disposal of waste that the suppliers will need to adhere to.</p>
	<p><i>National Environmental Management: Waste Act 59 of 2008 (Section 29)</i></p> <ul style="list-style-type: none"> ○ Scope of Act: <ul style="list-style-type: none"> ● Pollution prevention plans. ○ Key points of suppliers: <ul style="list-style-type: none"> ● Suppliers are required to prepare, submit to the Minister or MEC for approval, and implement pollution prevention plans in respect of a substance declared as a priority air pollutant. 	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
	<p>https://www.environment.gov.za/sites/default/files/legislations/nema_amendment_act59.pdf</p> <p><i>Guideline for the Development of Integrated Waste Management Plans read with the National Environmental Management: Waste Act 59 of 2008</i></p> <ul style="list-style-type: none"> ○ Scope of Guidelines: <ul style="list-style-type: none"> ● The guideline is a requirement for all government spheres responsible for waste management in terms of the Act to properly plan and manage waste. ● The guidelines have been written to follow the waste handling process in accordance with the waste management hierarchy. ● The guideline provides for background for the compilation of integrated waste management plans. ○ Key points of suppliers: <ul style="list-style-type: none"> ● The supplier is to develop, manage and monitor a Waste Management Plan that will incorporate the collection, minimisation, re-use, recycling, recovery, treatment and disposal of waste. <p>https://www.environment.gov.za/sites/default/files/legislations/integratedwaste_management_guidelines_0.pdf</p>	

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Topic	Relevant local legislation	Benchmark against Guiding Principles / Practical Guidance
<p>5. Responsible Chemical Management</p>	<p><i>Hazardous Chemical Substances Regulations, 1995, Government Notice. R: 1179 of Occupational Health and Safety Act, 1993 (Act No. 85 of 1993). (Regulation 9A, 10 and 15)</i></p> <ul style="list-style-type: none"> ○ Scope of Regulation: <ul style="list-style-type: none"> ● Handling of hazardous chemical substances (HCS) and Control of exposure to HCS. ○ Key points of suppliers: <ul style="list-style-type: none"> ● An employer shall ensure that the emission of an HCS into the atmosphere comply with the provisions of the Atmospheric Pollution Prevention Act, 1965 (Act No. 45 of 1965). <p>https://showme.co.za/pretoria/files/2016/02/OHS-Act-Hazardous-Chemical-Substances-Regulations-1995.pdf</p>	<p>The Regulations are higher and more extensive in terms of detail pertaining to the handling and control of hazardous chemical substance (HSC). The Regulations also incorporates HCS Guidelines. The Regulations further details on the Disposal of hazardous chemical substances. The Practical Guidelines is quite generic and does not go to the extent of Regulations.</p>