



# ETHICAL SOURCING REQUIREMENTS

January 2025



## INTRODUCTION

At Ontex, we are committed to ethical sourcing and the promotion of human rights. By working closely with our suppliers, we aim to prevent and address significant social and environmental challenges while fostering responsible, fair, and transparent supply chains.

Our Supplier Code of Conduct defines our commitments and expectations for suppliers. This document builds on those principles by providing detailed guidance on the social audit requirements for key suppliers, as outlined in the Supplier Code of Conduct and the Global Supplier and Vendor Handbook. It specifically explains the scope of third-party social audits, accepted audit schemes, and how audit results are evaluated.

To ensure compliance, any facility disclosed to Ontex may be subject to a social audit at any time. Audits are prioritized based on the assessed risk level of the country or commodity where the facility operates.

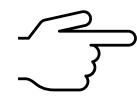
# SCOPE

## RISK COUNTRIES

The risk countries are defined as those production countries where:

- Local working conditions fall below the international standards,
- There is a low degree of rule of law, or
- The international community has identified a need for considerable overall development.

The list of risk countries is updated on a regular basis. The outputs of this can be found in [Countries Risk Classification](#)[1] based on Radar, a risk assessment tool from Sedex



Suppliers should use this list to identify which of their production sites are located in risk countries.

## SUPPLIERS

The Ethical Sourcing Requirements stipulated in this document apply to all Suppliers of Ontex.



<sup>[1]</sup> For an overview of the risk assessment methodology, please refer to <https://www.sedex.com/blog/understanding-supply-chain-risks-with-the-radar-risk-tool/>

# AUDIT & CERTIFICATION REQUIREMENTS

Independent third-party social and ethical audits or certificates are required for all production facilities within the scope of this document that are located in risk countries, as defined in the “Scope” section.

Verification of a company’s compliance with the obligations outlined in this chapter may be conducted by an independent third party.

Audits must be conducted on a semi-announced basis, unless otherwise agreed by the Ontex sustainability team.

The cost of the audit, travel and any associated costs of uploading the report onto the Sedex platform will be borne by the Supplier.

## ACCEPTED AUDIT/CERTIFICATION SCHEMES

Social audits are recurring evaluations designed to assess compliance with international standards and local law. The validity & minimum acceptable scores depend on the chosen audit scheme. Only the audit schemes listed in the table below are accepted.

Audit scheme	Minimum score	Validity	Findings/Results	Accepted	Platform
<b>SMETA 4-Pillar</b>	Not applicable	12 months	The audit identifies: Non-conformities/Non-compliances; Observations; Good Examples	Yes	Sedex platform
<b>amfori BSCI</b>	A minimum score of C is required. If the supplier scores a D, an improvement plan will need to be set up by the supplier. During the re-audit (n+1) a minimum score of C should be obtained.	24 months (Full audit only)	A. Very Good B. Good	Yes	Email report
		12 months	A. Acceptable B. Insufficient C. Unacceptable	Yes Conditional No	
		Not valid	ZT- Zero tolerance	No	
<b>SAI8000</b>	Not applicable	36 months	Not applicable	Yes	Email certification

Important: Reports with Zero Tolerance findings will require immediate enforcement of remediation action plans and, if necessary, legal escalation. Audit reports must be shared with the Ontex Group Responsible Sourcing Specialist or the Sustainability team. For SMETA audits, the auditor must upload the report to the Sedex Advance Platform and request a direct link between the Supplier and the Ontex Group to ensure seamless access to audit information.

# AUDIT & CERTIFICATION REQUIREMENTS



## APPROVED CERTIFYING BODIES

The auditing firms authorized to conduct SMETA, amfori BSCI and/or SA8000 audits are those directly accredited by Sedex, amfori BSCI & SA8000.[1]

## PROOF OF VALID AUDIT REPORT OR CERTIFICATION

Our goal is to ensure that social compliance is addressed early in the sourcing process for each production facility. To achieve this, we request the following information:

- The preferred social audit scheme (SMETA, amfori BSCI, or SA8000)
- Link to Sedex platform showing 100% completion of the SAQ
- Last valid[2] audit result

If a Supplier uses the SMETA audit, we will connect with the Supplier via the Sedex platform. If a Supplier wishes to use the BSCI or SA8000 audit scheme for a production facility used for Ontex production, the Supplier will email the most recent valid SMETA report to the sustainability department[3] of Ontex and/or the Group responsible sourcing specialist.

If the production facility in question has not been audited or certified at the time of tendering, or if the audit and/or certificate expire(s) prior to the production period, **a valid audit report/certificate must be provided no later than 6 months after the supplier begins supplying Ontex.**

If there is an existing audit report, the audit must be current and completed within the past 12 months from the date the supplier became a supplier of Ontex.

## AUDIT RESULTS & CORRECTIVE ACTIONS

All Suppliers must work towards continuous improvement in the social and working conditions throughout their supply chain.

Suppliers must proactively review social audit reports and provide corrective action for non-compliances in a timely manner. It is the responsibility of the Supplier to review the audit report, discuss the findings and complete the Corrective Action Plan (CAP) accordingly and within the timing agreed with the auditors. The CAP should be uploaded on the SEDEX platform according to the SMETA described process or sent via email when using amfori BSCI.

[1] For a list of accredited certifying bodies, please refer for BSCI to <http://www.bsci-directory.org/auditors/view/fa.php>, for SMETA to <https://www.sedex.com/affiliate-audit-companies/> and for SA8000 to <https://sa-intl.org/resources/sa8000-accredited-certification-bodies/>.

[2] See previous slide for info about validity of social audit reports (frequency & score)

[3] Sustainability department Ontex: [sustainability@ontexglobal.com](mailto:sustainability@ontexglobal.com) ; Group Responsible Sourcing Specialist [jessica.pazmolina@ontexglobal.com](mailto:jessica.pazmolina@ontexglobal.com)

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## Critical Business Non-Conformities

We require our suppliers to establish and implement mandatory mechanisms to ensure the execution of effective corrective action plans. Progress must be monitored with Ontex through regular follow-ups. If the results remain unsatisfactory, an escalation process will be activated.

## Overdue Critical Business Non-Conformities, Critical Non-Conformities, and Major Non-Conformities

Suppliers are required to conduct periodic social audits upon request and demonstrate proactive measures to address and resolve any outstanding issues.

## Reports with Zero Tolerance findings

This will immediately require mandatory mechanisms to enforce the implementation of effective remediation action plans and initiate legal escalation procedures if necessary.

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## Self-Assessment Questionnaire (SAQ) on SEDEX

*Scope: all suppliers located in risk countries*

From the time of entry the individual agreement, through the entire period of sourcing and production, and up until the goods are delivered, all suppliers in risk countries must have completed 100% the SAQ in Sedex.

This will enable Ontex to identify any actual or potential adverse impact, and monitor compliance Management Systems in human, labor rights and environmental standards through our supply chain in real time.

### PROOF OF COMPLETION

Our aim is to ensure that social compliance of each production facility is considered at an early stage of the buying process. Consequently, within the scope of the tendering process, we request the following information:

- **Link with Ontex in Sedex (ZC1071907) number**
- **Complete 100% the SAQ in Sedex**



## ECOVADIS ASSESSMENT

### *Scope: all suppliers*

From the time of entry the individual agreement, through the entire period of sourcing and production, and up until the goods are delivered, we encourage all direct and indirect suppliers must have shared its scorecard in EcoVadis.

EcoVadis allows us to understand the commitment our suppliers have for respecting and promoting human rights within their own business and supply chains.

There are fees for the audit, including the use of the platform and the scorecard. These will depend on the size of the supplier and can be found via the following link.

<https://ecovadis.com/plans-pricing/>.

## PROOF OF COMPLETION

Our aim is to ensure that social compliance of each production facility is considered at an early stage of the buying process. Consequently, within the scope of the tendering process, we request the following information:

- [Link with Ontex in EcoVadis](#)

<sup>[1]</sup> For a list of accredited certifying bodies, please refer for BSCI to <http://www.bsci-directory.org/auditors/view/fa.php>, for SMETA to <https://www.sedex.com/affiliate-audit-companies/> and for SA8000 to <https://sa-intl.org/resources/sa8000-accredited-certification-bodies/>.

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Scorecard	Action from the supplier	What areas for improvement need to be done?
<p><b>Insufficient and/or partial</b> Between 0 and 44</p>	<p>Supplier must provide an unsolicited action plan via the Ecovadis platform within one month. The action plan will be validated by Ontex, and adjustments requested if necessary. A re-audit must then be carried out annually. <b><i>The new assessment must be available at the latest by the time the previous Ecovadis Scorecard expires</i></b></p>	<ul style="list-style-type: none"> <li>As a minimum, all improvement areas with "High" priority from all subject areas (environment, labor &amp; human rights, ethics and sustainable procurement) should be included in the corrective action plan.</li> <li>A corrective action plan should be submitted within one month and will have a deadline set by the supplier. However, the deadline should be before the next assessment.</li> </ul>
<p><b>Good</b> Between 45 and 64</p>	<p>A re-audit must be carried out annually. An action plan only needs to be submitted on request. <b><i>The new assessment must be available at the latest by the time the previous Ecovadis Scorecard expires</i></b></p>	<ul style="list-style-type: none"> <li>A corrective action plan must only be submitted on request.</li> <li>Recommended that a corrective action plan be drawn up to show continuous development at every assessment.</li> </ul>
<p><b>Advanced</b> Between 65 and 100</p>	<p>The assessment must be repeated 1 year after the expiry date of the previous scorecard. <b><i>The new assessment must be available at the latest by the time the previous Ecovadis Scorecard expires</i></b></p>	<ul style="list-style-type: none"> <li>Recommended that a corrective action plan be drawn up to show continuous development at every assessment.</li> </ul>

<sup>[1]</sup> For a list of accredited certifying bodies, please refer for BSCI to <http://www.bsci-directory.org/auditors/view/fa.php>, for SMETA to <https://www.sedex.com/affiliate-audit-companies/> and for SA8000 to <https://sa-intl.org/resources/sa8000-accredited-certification-bodies/>.

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## FAILING TO MEET THE REQUIREMENTS

In case a Supplier is non-responsive to deliver a valid social audit report, Ontex can organize the social audit (SMETA). The costs of the audit shall be borne by the Supplier.

If a Supplier fails to meet one or more of the ethical sourcing requirements, Ontex reserves the right to act and exercise its rights and remedies as it believes is appropriate or necessary in respect of any such breach or non-compliance, including by immediately cancelling or refusing to take delivery of an order for the products, terminating any contract with the Supplier.



## FURTHER INFORMATION

For any questions, please contact the Ontex Sustainability team.



General inquires  
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