

BSCI SYSTEM MANUAL

PART II

Understanding the BSCI Audit
for Auditors

November 2014



FTA
Foreign Trade Association

PART II

Understanding the BSCI Audit for Auditors



BSCI System Manual Part II details information that allows for a better understanding of the BSCI Audit Report.

It provides the auditors with in-depth information on:

- **How to fill out the BSCI Audit Report**
- **How to interpret the different questions in each Performance Area**
- **How to approach the monitoring process**

BSCI Participants find relevant information in this part of the manual to understand the Audit Report.

Business partners to be monitored (auditee) shall read System Manual Part III: Understanding the BSCI Audit from the auditee perspective.

Related documents or tools:

- **Audit Report blank version (accessible in the Auditor's Resources area)**
- **System Manual Part I, Chapter 6: How to do Monitoring**
- **System Manual Part III: Understanding the BSCI Audit from the auditee perspective**



1. HOW TO FILL OUT THE BSCI AUDIT REPORT

The Audit Report Structure: All information gathered in the BSCI Audit is reported in the BSCI Audit Report. This includes:

- Data Evidence
- Interview Evidence
- Documentary Evidence
- Performance Evaluation of the main auditee
- Performance Evaluation of the sampled farms (if relevant)
- Findings Report

The chapters in System Manual Part II follow the structure of the BSCI Audit Report and give further explanations and instructions to the auditors on what is expected from them in each part of the Audit Report.

1.1. AUDIT DURATION

BSCI stipulates the minimum audit duration according to the auditee’s number of workers.

Full audit duration: The table below shows the minimum duration for full audits as well as the minimum number of worker interviews. Audit duration includes 0, 5 day for reporting.

Facility size in number of workers	Full audit duration in man-days	Number of workers to be interviewed
1-50	1.5	5-10
51-100	2	10-15
101-250	3	15-20
251-550	3.5	20-25
551-800	4	25-30
801-1200	4.5	30-35
1201 +	5	> 35

Figure 16: Minimum Duration of a Full Audit and Minimum Number of Worker Interviews



Follow-up audit duration: The table below shows the minimum duration for a follow-up audit as well as the number of worker interviews. In this case, the duration does not only relate to the number of workers but also to the number of Performance Areas with findings in the previous audit. The duration includes 0, 5 day for reporting. The number of interviews remains based on the number of workers; the same as for a full audit.

Facility size in number of workers	Findings in 1 to 4 Performance Area(s)	5PA	6PA	7PA	8PA	9PA	10PA	11PA	Findings in 12 or more Performance Areas equals full audit duration
1-50	1	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
51-100	1.5	1.5	1.5	1.5	1.5	1.5	2	2	2
101-250	1.5	1.5	1.5	2	2	2.5	2.5	2.5	3
251-550	1.5	1.5	2	2	2.5	2.5	3	3	3.5
551-800	1.5	1.5	2	2.5	2.5	3	3.5	3.5	4
801-1200	1.5	2	2.5	2.5	3	3.5	3.5	4	4.5
1201 +	1.5	2	2.5	3	3.5	3.5	4	4.5	5

Figure 17: Minimum Duration of a Follow-up Audit

1.2. RATING DEFINITIONS

For more information, see BSCI System Manual Part I – Chapter 6, subchapter 6.2.: BSCI Audit Rating.

Rating definitions are also available for auditors in the off-line Audit Report.

1.3. COVER PAGE

The auditor uses this tab to provide basic information on the auditee and auditing company, as well as on the conditions under which the audit has been conducted.

Audit details, audit results and auditing company details are part of the cover page.



1.4. GENERAL INFORMATION

The auditor uses this tab to provide general information on the conditions under which the audit has been conducted.

Audit scope and methodology: Information in this module is automatically generated from the BSCI Platform. The auditor cannot modify that information, but he/she can provide justification for some of the choices (e.g. Zero Tolerance issues or audit interference).

Audit duration: The auditor reports the number of workers provided by the auditee, which is taken as the reference to define the duration of the audit.

This figure may not correspond to the number of workers at the time of the audit. The auditor is not expected to adjust the audit duration to the new situation. However, the discrepancy must be reported under “Executive Summary”, as it may be a symptom of auditee misrepresentation.

Executive summary of the audit report: The auditor uses this field to give an overall description of the auditee and the different circumstances he/she faces during the audit.

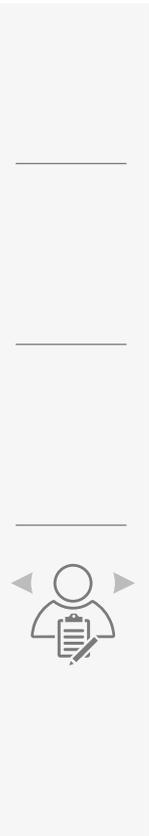
The auditor shall start the executive summary with a description of the location and facilities (e.g. the auditee is composed of 2 production sites located on the 2nd floor of a 5 floor building, or the auditee is composed of a packing house and a plantation).

This tab includes information on the sampled farms, when applicable.

Executive summary of confidential comments: The auditor uses this field to report any additional comment, which, due to its nature, needs to be kept confidential.

NOTES:

Horizontal dotted lines for notes.



1.5. AUDIT DATA EVIDENCE

The auditor uses this tab to gather data evidence from the auditee.

Auditee's background information: The auditor shall validate the information provided by the auditee in the preparatory steps.

- **Valid certificates:** Special attention shall be given to the validity of social certificates.
E.g. a valid GlocalGAP certificate reduces the audit duration by 30% as Performance Areas related to health and safety and the environment are not verified. Therefore, it is paramount to validate this information.

Auditee's business activities: The auditor shall fill in general external information that concerns the auditee (e.g. legal minimum wage) and compare it with the specific practices of the auditee.

The auditor uses the appropriate fields to describe:

- Samples of workers whose working time is verified at the time of the audit
- Specific situations that led to overtime in the six months prior to the audit
- Any accident that occurred in the six months prior to the audit
- Specific information on the workers representative

Auditee's production structure: The auditor shall validate the information concerning working hours, work at night and shifts, when applicable.

Auditee's production calendar: The auditor shall validate the information provided by the auditee concerning the level of production.

Auditee's social performance management: The auditor shall validate and gather information on the names of the staff in charge of different areas related to social compliance performance. Information on other relevant issues (e.g. high risk production techniques) is also reported here.

Auditee's employment structure: The auditor shall provide the most accurate information on the workforce at the time of the audit, to the best of his/her knowledge. This figure may not correspond to the number of workers reported by the auditee when the audit was originally scheduled.

Report discrepancies: The auditor is not expected to adjust the audit duration to the new situation. However, the discrepancy must be reported under "Executive Summary", as it may be a symptom of auditee misrepresentation.

Housing (if applicable): The auditor shall describe the housing facilities provided directly or indirectly by the auditee.



1.6. FAIR REMUNERATION QUICK SCAN

Prior to the audit, the auditor estimates and calculates living wages in the region. He/ she uses this tab to assess the auditee's ability to provide coherent information on these topics. The auditor shall not aim at comparing his/her own calculation result to the one provided by the auditee. At this point, the auditor is asked to evaluate the level of understanding that management and workers have about:

- Living costs of the workforce in the region
- Possible gaps existing between the actual remuneration and the fair remuneration figure
- Identifying potential actions to fill the gap

The auditor may need to consult additional sources to find out more about regional contexts:

- Government data (statistics, community development departments)
- Local or international NGOs working in the area and addressing the sector
- Community groups who may have answers to some of these questions

Good practices: The auditee has access to the Fair Remuneration Quick Scan template prior to the audit. The auditor shall acknowledge, under “Good practices” in the Findings Report, if the auditee provides this information including the calculation of fair remuneration.

1.7. YOUNG WORKERS DATA

The auditor uses this tab to collect information on the young workers engaged by the auditee either directly or indirectly.

The auditor reports the number of young workers found in the records on workers. Furthermore, the auditor shall interview 10% of identified young workers (minimum 2, maximum 10) with particular attention given to:

- Their access to vocational training
- Their access to the grievance mechanism
- Their special training on occupational health and safety

1.8. GRIEVANCE MECHANISM

The auditor uses this tab to collect information on the grievances lodged either at the auditee or externally. Furthermore, the auditor describes the different steps that the auditee follows to investigate and remediate the grievances.



1.9. SUPPLY CHAIN MAPPING

The auditor uses this tab to collect information on the different business partners of the auditee. Business partners do not need to be named but they need to be acknowledged at least with an identification number. The number can be provided by either the auditee or the auditor to preserve business confidentiality.

Different types of business partners can be selected under the column title: “Type of business partners”. If a type of business partner is not included in the list, the auditor shall select “others (please specify)” and specify the type of business partner in the next column.

Significance for the auditee: The auditor shall select “high, medium or low” significance for the auditee, based on auditee overviews of business relations, volume, dependency and/or risks. Recruitment agencies and homeworkers are always considered highly significant because they represent an additional social risk for the auditee.

Signed BSCI Code of Conduct: The auditor shall report if the business partner has signed the BSCI Code with related Terms of Implementation or not. This evidence shall be collected from auditee records and, if possible, verified with the related business partner.

Included in the sampled business partners: The auditor shall note in this column the farms that he/she has selected to be audited. The auditor shall select farms only from those previously integrated in the Social Management System, which have been internally audited by the auditee.

This column is not to be used if the scope of the audit does not include sampled farms.

1.10. STAKEHOLDERS MAPPING

The auditor uses this tab to collect information on the stakeholders that the auditee has identified as relevant to its business.

Stakeholders can be internal (e.g. workers and trade unions) or external (e.g. investors, governments and NGOs). Particular attention shall be paid to verify if the auditee has identified stakeholders for relevant topics. These are the most common topics for which the auditee may engage with stakeholders:

- Training
- Freedom of association
- Special protection given to vulnerable workers
- Fight against child labour
- Grievance mechanism
- Anti-corruption

These topics apply for both internal and external stakeholders.

Good practices: The auditee has access to the BSCI Template Stakeholders Mapping prior to the audit. The auditor must acknowledge, under “Good practices” in the Findings Report, that the auditee has provided this information and has mapped its relevant stakeholders.



1.11. INTERVIEW EVIDENCE

The auditor uses this tab to report:

- The interview sample
- The interview methods
- The findings gathered through interviews

Interviews serve as individual sources or to validate or back up other sources of information (e.g. auditee documents).

The auditor shall use this tab to enter the interview evidence for both the main auditee as well as interviews at the sampled farms, when applicable.

Auditors must interview:

- **Management:** Particularly managers in charge of Human Resources and Occupational Health and Safety (OHS)
- **Workers' representative**
- **Internal auditors:** If the audit includes sampled farms
- **Workers,** particularly:
 - Young workers or apprentices
 - Workers' committee spokesperson
 - Seasonal and/or subcontracted workers
 - Women
 - Night shift workers

They may also include:

- Trade union representatives
- Relevant external stakeholders

Interviewing management: Auditors may have the first contact with management either during the preparation of the audit or during the opening meeting, the day of the audit.

Interviews with different managers should be conducted in open and constructive dialogue. The auditor shall use these interviews to gather substantial information on the auditee's social performance:

- Explanations on the organisational chart and division of responsibilities
- Explanations with regard to drafting and implementing policies and procedures
- Explanations with regard to hiring practices, grievance management and workers' trainings
- Overview on the latest investments to improve OHS and productivity
- Overview on the different business partners and how the company selects them and monitors their social performance
- Explanations with regard to the accident protocol
- Explanations with regard to the grievance mechanism
- Explanations with regard to workers and management trainings
- Explanations on its understanding of the BSCI Code of Conduct values and principles



Interviewing workers and workers representatives: These interviews are a critical source of information to cross-verify:

- The information gathered through documents or interviews with management
- The effectiveness and safety of the procedures developed by the auditee

Interviews may be the only source of information in case of discrimination, incidents of violence, sexual harassment or illegal disciplinary measures. If this is the case, the auditor shall be extremely vigilant in how to report the findings to avoid adding any risk or problem to the detriment of the interviewee(s).

IMPORTANT: Auditors must be aware of the possibility that workers are being coached so their own answers match other evidence presented by management. Auditors may use different interview techniques to go beyond the surface.

Auditing companies shall direct their auditors to follow these guidelines to interview workers, to ensure they:

- Conduct interviews in a respectful way
- Build trust with different types of workers
- Are sensitive with gender issues or any disadvantaged individuals
- Select the place for the interview (onsite or offsite)
- Define the format (individual or group)
- Protect interviewees from reprisals
- Are aware of local and cultural contexts

Building trust takes different amounts of time in different cultures. It is the decision of the auditor to determine the duration of an interview, in order to get meaningful results.

Elements of the most positive ways to conduct interviews include:

- **Right setting:** Meeting in a neutral setting where workers may feel comfortable
- **Small talk:** Starting with small talk (music, films, sports) to let the worker feel at ease, relaxed and more willing to talk about work subjects
- **Body language:** Paying attention to facial expressions, gestures and attitudes
- **Exploratory:** Asking open-ended questions
- **Comfortable:** Listening carefully and not repeating questions if the worker does not seem to understand or is clearly unwilling or uncomfortable to discuss the subject
- **Sensitive:** Changing the topic when emotions are too intense
- **Neutral:** Resisting to make facial expressions of shock, sadness, frustration or other emotions in reaction to what the worker says
- **No notes:** Avoiding note-taking as workers may feel uncomfortable being recorded
- **Empathy:** Being on the same level as the workers (e.g. sitting on the floor if this is where they are)

Child labour: These recommendations apply in case the worker being interviewed is a child found working. The auditor must be particularly vigilant in such cases and, additionally, consider asking the child where she/he would prefer to talk and whether she/he would like anyone else to be present, for example a sibling or a friend.



1.12. MAIN AUDITEE

The auditor evaluates the auditee against the BSCI Code of Conduct version 1/2014. The evaluation is done per Performance Area.

The auditor shall answer questions “yes”, “partially” or “no” depending on the level of satisfactory evidence.

The sources of evidence are reported under the grid called “Evidence”. They can be:

- **MI:** Management interview(s)
- **WI:** Workers interview(s)
- **WRI:** Workers representative interview(s)
- **DE:** Documentary evidence
- **SO:** Site observance

Documentary evidence: A site visit is not considered a source of evidence unless backed up by pictures in which case it is reported under documentary evidence.

For more information on documentary evidence, see [BSCI System Manual Part V – Annex 6: Most Relevant Documents for the BSCI Audit](#).

Interpretation guidelines: Every question under each Performance Area is linked to interpretation guidelines. These are available in the Audit Report to support the auditor in his/her evaluation. Auditors have access to those guidelines in the subsequent chapters.

To deepen their understanding, they may also read BSCI System Manual Part III – Understanding the BSCI Audit from the auditee perspective, which guides the auditee.

Findings: The auditor consolidates the findings per Performance Area. These are some examples of how the section “Findings” can be filled out:

- “Based on limited evidence, the main auditee does not respect this principle because [the auditor describes the deviations/reasons why].”
- “Based on satisfactory evidence, the main auditee partially respects this principle because [the auditor describes the deviations/reasons why].”

Good practices: If applicable, the auditor also drafts the consolidated good practices per Performance Area.

This is an example of how the section “Good practices” can be filled out:

“The main auditee exceeds expectations with respect to this principle because [the auditor describes the good practice(s) and related evidence].”



2. INTERPRETATION GUIDELINES PER PERFORMANCE AREA

2.1. PERFORMANCE AREA 1: SOCIAL MANAGEMENT SYSTEM AND CASCADE EFFECT

Is there satisfactory evidence that the auditee has set up an effective management system to implement the BSCI Code of Conduct?

An effective management system is crucial to ensure social performance can be integrated into the business model. With a management system in place, the auditee can take ownership over the process and continuously improve.

Effectiveness: To verify the effectiveness of the management system, the auditor must at least evaluate:

- Does the auditee's management understand why its own good social performance is important for BSCI Participants?
- Does the auditee's management understand the importance and benefits of having an effective management system and related procedures in place?
- Does the auditee's management show full commitment towards integrating the BSCI Code into the auditee business culture?
- Does the auditee's management understand the difference between short-term investment and long-lasting solutions?
- Does the auditee's management understand the content of the BSCI Code and Terms of Implementation for business partners to be involved in the BSCI monitoring process?
- Does the auditee's management understand the need to develop internal procedures to integrate the BSCI Code into day-to-day business practices?
- Does the auditee's management understand how business relations are affected by the implementation of BSCI?
- Does the auditee's management understand the need to consult customers and stakeholders to adhere to a continuous improvement approach in day-to-day business practices?



Is there satisfactory evidence that a senior manager has been appointed to ensure that the BSCI values and principles are followed in a satisfactory manner?

The integration of BSCI in the business culture may involve several staff members.

Effectiveness: To verify the effectiveness of the selection of right staff members, the auditor must at least evaluate that:

The function:

- Is part of senior management
- Actively works towards adhering to the Code of Conduct as part of the business culture
- Includes other duties and covers several areas of work such as strategy and business development (if relevant)
- Has decision-making power and allocated budget to succeed in the follow-up of BSCI social performance

The individual with this function has:

- A good understanding of the BSCI Code of Conduct and Terms of Implementation
- A good overview of the supply chain:
 - Which business partners are important (significant) for the business
 - Which stakeholders are relevant for integrating BSCI values and principles into the business culture

Coherency check: Furthermore, the auditor shall evaluate if the selection of other company functions is coherent with the BSCI values and principles.

- Who is in charge of implementing BSCI in the business culture?
- Who is in charge of following up with the grievance mechanism?
- Who is in charge of human resources?
- Who is in charge of ensuring that workers receive training relevant to the BSCI values and principles?
- Who is in charge of occupational health and safety issues?
- Do these functions have sufficient skills (by training or by experience) to fulfil their responsibilities?
- Do these functions have allocated budget to succeed in the implementation of BSCI principles and values?



Is there satisfactory evidence that the auditee has a good overview of the significant business partners and their level of alignment with the BSCI Code of Conduct?

The auditee is required to exercise a minimum duty of care and attention with respect to the selection, management and monitoring of its own significant business partners. Without this overview on whether or not its business partners respect the law and workers' rights, the auditee and its clients face a social risk.

Examples of business partners are:

- Subcontractors
- Recruitment agencies
- Catering service providers
- Suppliers (including farms)

Effectiveness: To verify the effectiveness of the selection of business partners, the auditor must at least evaluate that the auditee:

- Has a management system to select current and future significant business partners
- Has instructed relevant staff to take into consideration not only price and quality but also the willingness to respect the BSCI requirements
- Monitors current and future significant business partners' social performance. These verifications can be conducted by either its own personnel (as long as they are qualified to do so) or third parties mandated to conduct such assessments

Coherency check: Furthermore, the auditor shall evaluate if the selection of business partners is coherent with the BSCI values and principles.

- Does the auditee keep accurate information on its different significant business partners?
- Does the auditee know how long business partners have been working with it?
- How familiar is the auditee with the ways in which its business partners manage their own businesses?
- Does the auditee keep records of any complaints received about its business partners? If yes, how has the auditee dealt with these complaints?



Is there satisfactory evidence that the auditee monitors how its business partners observe the BSCI Code of Conduct?

The auditee's monitoring occurs in different steps through a development-oriented approach. It can be done directly or indirectly.

Effectiveness: To verify the effectiveness of the business partner monitoring, the auditor must at least evaluate that the auditee:

- Has requested significant business partners to sign the BSCI Code of Conduct and relevant Terms of Implementation
- Keeps copies of these signed BSCI documents
- Includes social performance criteria as prerequisites to select business partners
- Has institutionalised different processes to make necessary business decisions and/or any corrective actions to address risks found in the activities of business partners
- Uses various ways to collect information from its business partners: These are some examples:
 - It requests regular transparent reporting related to social risks
 - It conducts internal auditing
 - It requests second-party or third-party audits

Coherency check: Furthermore, the auditor shall evaluate the coherence of monitoring business partners within the overall auditee business practice.

- What mechanisms are being used by the auditee to monitor business partners?
- How often does this monitoring take place?
- Who is responsible for this monitoring? Is that person or are those people competent (as a result of training or experience)?
- How are the findings about business partners followed up?
- What are the consequences if a business partner fails to observe the BSCI Code?
- Who is informed about any relevant problem related to the business partner?
- How does the auditee pass on this information (e.g. to a BSCI Participant)?



Is there satisfactory evidence that the auditee has developed the necessary policies and processes to prevent and address any adverse human rights impacts that may be detected in its supply chain?

Infringement of human rights at the workplace or in the supply chain often occurs in a context of:

- Absent, vague or insufficient rules of conduct
- Lack of or vague working procedures

Effectiveness: To verify the effectiveness of the policies and procedures to address adverse human rights impacts, the auditor must at least evaluate that:

- Management is aware of the correlation between working conditions and potential human rights violations
- Management understands that human rights impacts can be prevented and addressed

Coherency check: Furthermore, the auditor shall evaluate the coherence of policies and procedures within the overall auditee business practice.

Prevention and remediation of any adverse human rights should at least permeate:

- The regular risk assessment conducted in the company (e.g. occupational health and safety risk assessment)
- The decision-making process regarding human resources management as well as relations with business partners
- The available budget to address impacts and remediate victims (if relevant)
- The systematic follow up and review of the measures taken

Is there satisfactory evidence that the auditee manages its business relations in a responsible manner?

Effectiveness: To verify the effectiveness of the way the auditee manages its business relations, the auditor must at least evaluate:

- What communication channels allow business partners to explain their difficulties as well as progress towards aligning to the Code
- What is the basis for terminating contracts or business relations
- What are the specific clauses in the contracts about ending a business partnership

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee manages its business relations is coherent with the BSCI values and principles.

The auditee does not need to stop business with business partners that do not observe the BSCI Code of Conduct as long as those partners are transparent about their difficulties and take effective actions towards making improvements.



2.2. PERFORMANCE AREA 2: WORKERS INVOLVEMENT AND PROTECTION

Is there satisfactory evidence that the auditee has good management practices that involve workers and their representatives in sound information exchange on workplace issues?

Effectiveness: To verify the effectiveness of the way that the auditee manages its business relations, the auditor must at least evaluate that the auditee:

- Has established communication structures to genuinely involve workers and their representatives
- Management exchanges information on workplace-related issues with workers and their representatives

Coherency check: Furthermore, the auditor shall evaluate if the way in which the auditee involves workers and their representatives is coherent with the BSCI values and principles.

- How often do the management and workers meet to discuss about improving working conditions?
- Are there minutes of such meetings taken, kept and available for consultation?
- How is the workers representative elected?
- Are there records of the election process?
- Are the elections impacted by undesirable interference from the management?
- How does the management follow up on workers' requests or complaints?
- How are the concerns of the most vulnerable workers (e.g. migrants, young workers) taken into account?

Is there satisfactory evidence that the auditee defines long-term goals for protecting workers in line with the aspirations of the BSCI Code of Conduct?

Effectiveness: The effectiveness of long-term goals cannot be verified as, by definition, they have not yet been implemented. Instead, the auditor shall verify the feasibility.

Coherency check: Furthermore, the auditor shall evaluate if the way in which the auditee has defined its long-terms goals is coherent with the BSCI values and principles.

- Are the vision, mission and objectives of the company in line with the BSCI Code?
- Do the long-term goals reflect a step-by-step approach toward sustainable improvements?
- Are the workers and workers representatives genuinely involved in defining these goals?
- Is the strategic plan to achieve those goals in writing and approved by the competent person (or governance body)?



CRUCIAL: Is there satisfactory evidence that the auditee takes specific steps to make workers aware of their rights and responsibilities?

Effectiveness: To verify the effectiveness of the steps taken to raise workers' awareness, the auditor must at least evaluate that:

- Workers who are interviewed have a good understanding of their rights and responsibilities.
- Workers' rights and obligations emanate from:
 - The law
 - Work contracts
 - Job descriptions
 - Working rules of the workplace (as long as these rules abide by the law)
- Sources of rights and obligations must be available for workers and their representatives
- Workers are regularly trained on their rights and obligations
- The BSCI Code of Conduct (not necessarily including the Appendices) is displayed in a visible place of the workplace

Coherency check: Furthermore, the auditor shall evaluate how the auditee raises awareness among the workers on their rights and obligations in coherence with the BSCI values and principles.

- Do interviews with workers confirm that they have a good level of awareness of their rights and obligations? Are they aware of the content of their contracts? Are they aware of the content of the rules of the workplace?
- Is the person in charge of training workers qualified (by qualification or experience) to train them on their rights and obligations?
- Do contracts clearly explain workers' rights and obligations?
- Are there mandatory trainings for new workers?
- Are special trainings (e.g. in the relevant language) provided for migrant workers?
- Are workers trained on occupational health and safety? Are workers trained on how to use the grievance mechanism? (With special attention to young workers)

IMPORTANT: Trainings are mandatory for any new worker (even if he or she has been engaged via a recruitment agency). Migrant workers need to be trained and must receive a version of the work contract in a language they understand.



Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

Effectiveness: To verify the effectiveness of the capacity building activities taken by the auditee, the auditor must at least evaluate that:

- Trainings are granted for workers representatives, managers and other decision-makers
• The auditee ensures that management regularly receives:
- Informative sessions on the BSCI Code of Conduct
- Specific training for human resources, OHS and the grievance mechanism personnel
- Feedback on the BSCI Audit results and follow up
• The auditee has training materials related to BSCI Code content, made available for the management

Coherency check: Furthermore, the auditor shall evaluate if the ways in which the auditee builds internal capacities is in coherence with the BSCI values and principles.

- How often are directors, managers and workers representatives trained on the content of the BSCI Code?
• Is the material for the trainings available?
• Do interviews with managers and other decision-makers confirm a good level of awareness on social responsibility and the content of the BSCI Code?
• Is the person in charge of the training qualified to train the audience?
• Is this person external or internal staff? (If the auditee has internal staff who are sufficiently qualified to train others then it is a very good sign as it shows willingness to build internal capacities).
• Are there mandatory trainings, at least for newcomers, on the content of the BSCI Code?

NOTES:

Horizontal dotted lines for taking notes.



Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

Effectiveness: To verify the effectiveness of the grievance mechanism (established or endorsed by the auditee), the auditor must at least evaluate that: Workers and communities can lodge grievances through such a mechanism. The grievances lodged can relate to the auditee's actions and/or inactions that represent a potential breach of workers' or communities' rights. The written procedure for the grievance mechanism defines:

- A person responsible for its administration
- Potential conflicts of interest and how to overcome them (e.g. if a grievance is against the person who administers the mechanism)
- Timelines to address grievances
- Process for appeals or escalation as an additional guarantee
- Communication process to ensure that workers and community members have access to the grievance mechanism. This includes workers representatives, seasonal, migrant, temporary, young and female workers
- Alternative ways for lodging a complaint (e.g. through a workers representative or directly to the management)
- Record system of grievances lodged, including how they were investigated and addressed
- Regular survey on the grievance procedure

Coherency check: Furthermore, the auditor shall evaluate how the auditee defines and manages the grievance mechanism in coherence with the BSCI values and principles.

- Is there a system to keep records on the grievances lodged and the history of the solutions and remediation taken?
- Are there additional measures taken to avoid any kind of discrimination to access the grievance mechanism?
- Are workers representatives duly informed and involved (when applicable) so grievances are processed and investigated with the utmost guarantees?
- Are there indicators of satisfaction among the users?



Documents Related to this Performance Area

- Documentary evidence of the workers representative election
- Documentary evidence of regularly scheduled workers meetings
- Records of agreements with workers representatives
- Employment contracts including those related to security personnel, cleaning and other services
- Job descriptions in which the implementation of BSCI is included
- Working rules
- Evidence of a training calendar for workers and management
- Documentary evidence of training given to workers, management and human resources (e.g. list of attendees with signatures)
- Documentary evidence of trainer competence
- Documentary evidence of grievances lodged/investigated (e.g. BSCI Template 8: Grievance Mechanism filled in)



2.3. PERFORMANCE AREA 3: THE RIGHTS OF FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Freedom of Association: The right of workers to form and join organisations of their own choosing is an integral part of a free and open society. An open and trustworthy dialogue between the management and the workers is the first step towards freedom of association and collective bargaining.

When operating in countries where free and democratic trade union activity is unlawful or prohibited, the auditor and auditee will acknowledge the fact that workers are still allowed to freely elect their own representatives.

Collective Bargaining: Freedom of association is a separate right from collective bargaining and it can be exercised even when there are no trade unions present. The legitimacy of both the collective bargaining process and collective bargaining agreement is questionable when the essential right of workers' freedom of association is not respected.

Restriction of workers' organisation: A company that restricts workers' rights to join an organisation or a union, or to associate freely, is very unlikely to maintain good labour practices.

These restrictions can be already applied, but very often can be discovered in hidden or subtle forms of discrimination, informal restrictions or intimidation.

The importance of training the workers and key management as well as setting up an operational grievance mechanism becomes evident to actively encourage these rights.

Is there satisfactory evidence that the auditee respects the right of workers to form unions in a free and democratic way?

Effectiveness: To verify the effectiveness of auditee respect for workers' rights to form unions, the auditor must at least evaluate that:

- Workers establish and join workers' organisations of their own choosing
- Workers do not need previous authorisation from the auditee to join or establish a workers' organisation
- Workers' organisations are formed in a democratic manner

Coherency check: Furthermore, the auditor shall evaluate if the ways in which the auditee allows workers' rights comply with the BSCI values and principles.

- Has management interfered to prevent workers' participation in meetings regarding unions or other workers' organisations?
- Has management discouraged or interfered in the election process of union members or workers representatives?
- Has management appointed a workers representative to undermine the workers' democratic election?
- Has management made "arrangements" to undermine the company's obligation to respect the national law on freedom of association? (E.g. Subcontracting some parts of production intentionally to avoid reaching the number of workers required to introduce workers representatives in the business).
- Have workers suffered any retaliation for participating (actively or passively) in election processes of workers representatives?



Is there satisfactory evidence that the auditee does not prevent workers representatives from accessing or interacting with workers in the workplace?

Effectiveness: To verify the effectiveness of non-interference of the auditee, the auditor must at least evaluate that:

- The auditee recognises workers representatives' access to the workers in the workplace
- The auditee understands that not allowing a workers representative to access workers in the workplace represents interference with the right of freedom of association
- If organised in line with the law, meetings with workers representatives shall be arranged during working hours and workers' pay cannot be deducted

Coherency check: Furthermore, the auditor shall evaluate how the auditee avoids interfering with workers representatives to comply with the BSCI values and principles.

- Are workers representatives present in the production site(s)?
- Are there clear mechanisms to allow workers to contact and meet the workers representative?
- Are there regular meetings between the workers representative and the management?
- Are there grievances lodged with the support of the workers representative?
- How is the interaction between workers and their representatives perceived by the auditee?



Documents Related to this Performance Area

- Documentary evidence of the workers representative election
- Collective Bargaining Agreement (if applicable)
- Minutes or documents of meetings that led to the collective bargaining agreement (if applicable)
- Recruitment and dismissal procedures and records



2.4. PERFORMANCE AREA 4: NO DISCRIMINATION

Global phenomenon: Discrimination is a global phenomenon that bars people from some occupations, denies them a job altogether or does not reward them according to their merit because of the colour of their skin, gender or social background.

Broaden interpretation: In some cultures, discrimination may be very subtle. It is important to broaden the interpretation to include a range of individual characteristics, including race, language, religion and other differentiators as objects of discrimination.

Most pervasive forms: The most pervasive forms of discrimination can be found with regard to exploitation of migrant workers, including:

- Confiscation of passports
- Failure to provide employment contracts
- Non-payment or under-payment of wages
- Illegal deductions from wages
- Long working hours
- Substandard living conditions and denial of water and food
- Use or threats of violence

Directly and indirectly: These kinds of behaviour are not acceptable in companies that belong to BSCI Participants' supply chains. Companies need to assess, prevent or stop any discriminatory practice in which they may be directly or indirectly involved. They must be extremely vigilant when using labour brokers or recruitment agencies. Such brokers and agencies may bring to business enterprises these kinds of social risks and ultimately might damage commercial relations within international markets.

The grounds for discrimination are mentioned in the BSCI Code of Conduct.

CRUCIAL: Is there satisfactory evidence that the auditee takes the necessary measures to avoid or eradicate discrimination in the workplace?

Effectiveness: To verify the effectiveness of the measures taken by the auditee to avoid or eradicate discrimination, the auditor must at least evaluate that:

- The auditee does not use arguments that could be considered discriminatory when:
 - Hiring
 - In the workplace or as part of any daily work activities
 - Firing
 - Promoting or offering training opportunities
 - Paying social benefits
- The auditee pays particular attention to avoid discrimination against vulnerable groups like disabled workers, pregnant women or migrant workers



- The auditee follows the steps towards eradicating discrimination:
 - **Internal assessment:** Conduct an internal assessment on the most frequent grounds used for discrimination as well as the most common activities through which discrimination may occur (e.g. hiring process)
 - **Root cause analysis:** Identify the root causes of discriminatory behaviours
 - **Policy:** Draft and enforce a policy to discourage these kinds of behaviours and follow up on the improvements
- The auditee does not use health conditions for discrimination:
 - For example, medical testing, virginity tests, use of contraception or equivalent shall not be used as requirements or preconditions for recruitment; promotion; access to training or any other social benefits
 - Even in cases where national law requires HIV or other medical testing for public health reasons, the results of these tests cannot be used for discriminatory purposes. Instead, additional measures of protection should be taken.

Coherency check: Furthermore, the auditor shall evaluate how the auditee ensures that no discrimination against workers takes place so it is in coherence with the BSCI values and principles.

- How transparent are the grounds for a worker to be hired, promoted, or fired?
- What are the grounds for workers to be entitled to social benefits? Is overtime allocated as a means of giving rewards or punishment?
- How is the non-discrimination policy enforced? How and how often is management trained on this policy?
- How is this policy communicated to business partners, particularly recruitment agencies? What measures are taken in case of any breach of this policy?

Is there satisfactory evidence that the auditee takes the necessary preventative and/or remedial measures to ensure workers are not disciplined, dismissed or otherwise discriminated against because of their complaints against infringements of their rights?

Effectiveness: To verify the effectiveness of the measures taken by the auditee to prevent and/or remediate discrimination based on workers' complaints, the auditor must at least evaluate that:

- Workers have the possibility to submit complaints about infringements of their rights without having to fear reprisals
- The auditee has the necessary preventive measures in place to avoid discriminatory practices based on reprisals (e.g. instructing the human resources department and supervisors that disciplinary measures or dismissal cannot occur based on such complaints)
- The auditee puts in place corrective measures or compensation in cases of unfair dismissal or if other forms of discrimination may have occurred



Coherency check: Furthermore, the auditor shall evaluate how the auditee ensures that no discrimination against workers takes place so it is in coherence with the BSCI values and principles.

- Are all workers that lodged a grievance still part of the workforce? If not, what are the circumstances under which the worker left the company, or was dismissed?
- Does the auditee conduct satisfaction surveys on the grievance mechanism? How often? Are there records available of these surveys?
- How are the measures to avoid discipline, dismissal or discrimination translated into the working rules? How and how often is management (including supervisors) trained on these measures?

Is there satisfactory evidence that the auditee takes the necessary preventative and/or remedial measures so workers are not harassed or disciplined on grounds of discrimination as listed in the BSCI Code?

In addition to the written procedure, the auditee maintains records on disciplinary incidents.

Effectiveness: To verify the effectiveness of the measures taken by the auditee, the auditor must at least evaluate that:

- The auditee has a written procedure describing reasons for disciplinary measures
- The auditee needs to be well-informed on what the national legislation states about which disciplinary measures are legally accepted and which are not
- Disciplinary measures cannot be against the law

Coherency check: Furthermore, the auditor shall evaluate if the measures taken by the auditee are coherent with the BSCI values and principles.

- Are all workers aware of the reasons for disciplinary measures?
- Have workers and their representatives been involved let alone consulted in the development of disciplinary measures and procedures?
- Are the minutes of the consultation process kept in auditee records?
- Have disciplined workers been interviewed?
- How are the disciplinary measures translated into the working rules? How and how often is management (including supervisors) trained on these measures?



Documents Related to this Performance Area

- Documentary evidence on disciplinary procedures
- Documentary evidence on disciplinary cases and the measures taken
- Documentary evidence of workers' performance assessments and procedures
- Work contracts or agreements, including with recruitment agencies
- Documentary evidence of grievances lodged/investigated (e.g. BSCI Template 8: Grievance Mechanism filled in)



2.5. PERFORMANCE AREA 5: FAIR REMUNERATION

CRUCIAL: Is there satisfactory evidence that the auditee complies with the government’s minimum wage legislation or the industry standard approved through collective bargaining?

The auditor must be aware of the legal minimum wage applicable for the auditee or the valid collective bargaining agreement applicable for the sector or industry. The auditor shall use as a threshold whatever is more favourable for the workers.

For information on minimum legal wage and working hours, see the ILO country data: www.ilo.org/dyn/travail/travmain.search?p_lang=en

Effectiveness: To verify the effectiveness of the auditee’s remuneration practice, the auditor must at least evaluate that:

- The auditee does not pay any wage below the minimum established by the law or the collective bargaining agreement
- Workers who are paid the minimum wage only have to work regular time. They do not have to reach the minimum wage level by working overtime
- The verified payroll sample covers a significant period of time (e.g. 12 months before the date of the audit). However, the period of time taken during a follow-up audit shall not include the period covered by the previous audit, particularly when the verification aims at validating improvements

Coherency check: Furthermore, the auditor shall evaluate that the auditee’s remuneration practice is coherent with the BSCI values and principles.

- **Part-time workers:** Do part-time workers receive at least the minimum wage or relevant industry standard on a pro-rata basis?
- **Piece-rate workers:** Does the number of pieces produced in 8 hours amount to no less than the minimum wage per day, defined by law?
- **In probation:** Is the remuneration of workers in probationary periods in accordance with the law?
- **Hired through agencies:** Does the auditee keep records on how, how much and when the agency pays these workers?
- **In a cooperative:** Do the by-laws or internal regulations clearly specify how workers and how the cooperative’s members are remunerated and when? Are specifications on loans and possible advance payments respected and documented? Are these specifications approved in a General Assembly, by the majority, also defined in the by-laws?



Is there satisfactory evidence that wages are paid in a timely manner; regularly and fully in legal tender?

Effectiveness: To verify the effectiveness of the auditee's remuneration practice, the auditor must at least evaluate that:

- The auditee respects the three characteristics of wage payment.
 - **Timely:** As agreed and communicated to workers prior to their engagement
 - **Regularly:** With a frequency that allows the worker to make use of her/his earnings without incurring debts
 - **Fully in legal tender:** The work performed by the workers in regular working hours is to be paid in legal tender only
- The auditee only pays in kind if:
 - The payment in kind is done on top of the amount due in legal tender
 - The payment in kind is never made in alcohol or other drugs

Coherency check: Furthermore, the auditor shall evaluate that the auditee's remuneration practice is coherent with the BSCI values and principles.

- Does the auditee pay particular attention to the way seasonal workers and piece rate workers are paid?
- How is regular payment agreed and communicated in these cases? What special guarantees are defined by the auditee?
- How are transportation and/or housing considered in the remuneration? (If applicable)
- How are personal protective equipment and other tools needed to perform the job evaluated by the auditee? (Even if they are not to be considered as part of the remuneration)
- Does the auditee pay special attention and act diligently when using recruitment agencies or labour brokers?
- Is the auditee aware of how and when workers receive payment from the agency?
- Does the auditee keep these records as part of its own record keeping?

Is there satisfactory evidence that the level of wages reflects the skills and education of workers?

Opening meeting: The auditor shall understand the different skills needed in the production lines (according to sector). The opening meeting is an opportunity to set the scene with regard to the skills relevant for the work conducted at the facility.

To gather more details, the auditor will also use interviews with:

- Production line management
- Quality management
- Senior workers

Skills can be achieved by means of both education and experience. The auditor shall take into account workers' skills even if they cannot be proven by official diplomas.



Effectiveness: To verify the effectiveness of the way that the auditee takes skills and education into consideration, the auditor must at least evaluate that:

- The auditee takes into consideration skills and education in the hiring process
- The auditee adapts the remuneration to the workers' skills to encourage improvements in quality and stability of the employment relationship
- The auditee does not use unskilled workers to conduct qualified jobs. This represents a social risk (e.g. evasion and OHS issues), which will need to be reported in the relevant Performance Area
- The auditee does not use highly-skilled workers to conduct low-skilled jobs. If it does, this may represent a sign of discrimination or evasion of the law
- The auditee conducts workers' training on a regular basis to strengthen their skills

Coherency check: Furthermore, the auditor shall evaluate how the auditee takes into consideration workers skills to be coherent with the BSCI values and principles.

- Are there job descriptions available with the kinds of skills required to perform such jobs?
- Is the person in charge of recruitment trained to evaluate the level of competence?
- Does the auditee guarantee regular trainings to workers?
- Are the people in charge of conducting occupational health and safety risk assessments consulted to determine the type of skills in demand?
- Does the auditee have mechanisms in place to ensure more skilful workers pass their knowledge onto junior workers?
- Are the workers who are hired to conduct certain tasks in possession of the necessary skills? Are they remunerated accordingly?

Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

To verify this question, the auditor must have calculated a living wage estimate relevant for the region and based on the Social Accountability International method or an equivalent reference from governments, trade unions or NGOs.

The auditor may need to consult additional sources to find out more about the region:

- Government data (statistics, community development departments)
- Local or international NGOs working in the area and sector
- Community groups may have answers to some of these questions

The auditor will indicate the source(s) used for the calculation.

Opening meeting: The auditor may use the opening meeting as an opportunity to explain the aspects which are taken into consideration for the calculation (e.g. number of family members in the region; diet; transportation costs) and also seek additional feedback from the auditee, if needed.



Effectiveness: To verify the effectiveness of the way that the auditee takes decent standards of living into consideration, the auditor must at least evaluate that:

- The auditee is aware that fair remuneration concerns all workers regardless if they are permanent or seasonal; regardless if they are directly or indirectly engaged
- The auditee has a good understanding about:
 - Living costs of the workforce in the region
 - Possible gaps that exist between the actual remuneration and the fair remuneration figure
 - Identifying potential actions to fill the gaps
- Total remuneration provided by the auditee includes:
 - Wages paid for up to 48 regular working hours (or whatever the maximum regular hours are according to local or national law)
 - Social benefits
 - In-kind benefits and bonuses
 - Subsidised or free transportation
 - Subsidised or free living space
 - Subsidised or free canteen services
 - Opportunities for education or training
 - Premium paid overtime
- Remuneration does not include the cost of:
 - Uniforms
 - Personal protective equipment
 - Training that is mandatory as part of the job requirement. For example, occupational health and safety training
 - Any tool essential to conduct the job

In order to give a monetary value to trainings, the auditor will calculate the training time at the rate of the regular wage.

Coherency check: Furthermore, the auditor shall evaluate that the way that the auditee takes into account decent standards of living complies with the BSCI values and principles.

- Is the person in charge of recruitment aware of the standard of living in the region?
- Does the auditee guarantee regular information to workers on what is considered remuneration?
- Are workers representatives consulted when defining the remuneration practice?
- Are there grievances lodged related to remuneration as well as the quality of benefits provided?
- Are different aspects of remuneration adequately detailed in the payroll?

Area of improvement: If the auditor finds out that the total remuneration provided to workers does not allow them to have a decent standard of living in the region, the auditor shall report the finding under “Areas of improvement” in the Fair Remuneration Performance Area.

Good practices: The auditor shall acknowledge under “Good practices”, in the Findings Report, when the auditee provides him/her with this information and calculation of fair remuneration (e.g. the auditee uses the BSCI Template 5: Fair Remuneration Quick Scan).



Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted?

The auditor shall verify if the collective bargaining agreement includes additional social benefits beyond what is mandated by law. If yes, the question is evaluated using the collective bargaining agreement as the threshold.

The auditor shall describe which social benefits are missing or not correctly paid.

Effectiveness: To verify the effectiveness of the way that the auditee pays social benefits, the auditor must at least evaluate that:

- The auditee pays the social benefits in addition to the minimum wages and never as a way to allow workers to only attain the minimum
- The auditee pays social benefits to all workers regardless if they are:
 - Seasonal workers
 - Paid based on productivity
 - Migrant workers or any other vulnerable group of workers
- The auditee is aware of the social benefit content which usually includes:
 - Old age pension
 - Survivor's benefit
 - Family benefits and parental leave
 - Medical care
 - Unemployment
 - Sick leave
 - Disability
 - Work-related injury compensation
 - Vacations
- The auditee has signed up for a commercial insurance to cover social benefits

Commercial insurance: If the country's legislation allows the use of commercial insurance to substitute (fully or partially) the public social scheme, the auditor shall evaluate the auditee in a positive manner.

If the country's legislation does not allow such a substitution, but workers are granted equivalent coverage, the auditor indicates that the auditee complies "partially" and he/she specifies the circumstances accordingly.

Exceptions from social benefits: The auditee may submit an approval from the local labour authority or any other authorisation (e.g. from collective bargaining agreements with trade unions), permitting exemptions from social benefits which have been legally granted. Such exceptions shall be:

- Issued in line with the corresponding procedure
- Issued by the legal body with authority to do so
- Valid for the current period of time
- Applicable for the auditee

The auditee shall have made available the original document to prove these exemptions.



Coherency check: Furthermore, the auditor shall evaluate the way that the auditee provides workers with social benefits is coherent with the BSCI values and principles.

- Is the person in charge of recruitment aware of the (legally granted) social benefits for workers and can he/she explain the benefits accordingly in the recruitment process?
- Does the auditee guarantee regular information to workers on what are considered social benefits?
- Are workers representatives consulted when defining the social benefits?
- Are there grievances lodged related to the quality of social benefits that the auditee provides?
- Are different aspects of social benefits adequately detailed in the payroll?

Good practices: The auditor shall acknowledge under “Good practices”, in the Findings Report, when the auditee provides commercial insurance in addition to the minimum social benefits required by law.

CRUCIAL: Is there satisfactory evidence that the auditee ensures that deductions are only taken under the conditions and to the extent prescribed by the law?

The auditor shall verify if there are regulations with regard to which deductions are legal and how they can be applied (e.g. collective bargaining agreement or the national law). He/she uses as a threshold the regulation which is more beneficial for workers.

Effectiveness: To verify the effectiveness of the way the auditee ensures deductions are legal, the auditor must at least evaluate that:

- Deductions applied by the auditee do not result in:
 - Workers earning less than the legal minimum wage
 - An economic benefit for the auditee
 - A form of discrimination
- The auditee approach to unproductive time is fair to the workers:
 - The time workers may have spent in required meetings, training sessions or under any other workplace conditions beyond their control. Such time cannot be deducted at the expense of the worker but instead must be absorbed by the employer (e.g. a machine the worker uses is under repair and this negatively impacts her/his productivity)
 - If the auditee’s production site is going to be closed down for repairs or reconstruction, the auditee properly communicates the closing period to the workforce in advance
 - This communication needs to be done with the support of the workers representative to ensure that all workers’ rights are respected



- Deductions cannot be made for the use of objects, buildings or services which are directly necessary for work. That includes entry fees and/or charges for the use of:
 - Tools and machines
 - Sanitary facilities
 - Drinking water
 - Washing facilities
 - Provisions of protective clothing for workers
- Deductions for services offered by the auditee (e.g. transportation or food) are charged at local market rates or lower
- Use of the services offered by the auditee must always be voluntary
- Deductions are not made without the explicit consent of the worker, who always needs to be first consulted to understand the reasons. Only then can she/he choose to give consent or not
- Deductions for disciplinary measures only occur under the conditions specified by law, or due to specifications defined in a freely negotiated and established collective bargaining agreement

Coherency check: Furthermore, the auditor shall evaluate that auditee deductions are coherent with the BSCI values and principles.

- Is the person in charge of recruiting personnel aware of applicable deductions and is he/she able to explain the deductions accordingly in the recruitment process?
- Does the auditee guarantee regular information to workers on how and under which conditions deductions apply?
- Are workers representatives consulted when defining criteria for deductions?
- Are there grievances lodged related to potentially unfair deductions?



Documents Related to this Performance Area

- Documentary evidence of legal deductions for goods and services
- Documentation on legal minimum wages relevant for the sector
- Documented collective bargaining agreement
- Pay slips for workers and documentary evidence of payments
- Fair remuneration quick-scan completed (BSCI Template 5: Fair Remuneration Quick Scan)
- Work contracts or agreements, including with recruitment agencies
- Personnel data files for all workers (including seasonal workers)
- Documentary evidence of additional benefits (commercial insurance if applicable)
- Documentary evidence of updated contributions to social insurance funds
- Lists of wage ranges and calculations including for piece rate workers



2.6. PERFORMANCE AREA 6: DECENT WORKING HOURS

Excessive working hours are recurrent in these sectors:

- The **agricultural sector**, particularly when the produce needs to be harvested within a certain time frame to ensure freshness and saleability
- The **manufacturing industry**, where processes cannot be stopped at mid-production
- The **clothing and textile industry**, where companies sourcing from their business partners may often demand that the products are produced within a short time frame. For example, seasonal work involves long hours in a short time span to meet demand

This experience should provide reasons for companies in these sectors to be even more diligent to make the necessary changes.

Is there satisfactory evidence that the auditee does not require more than 48 regular working hours per week, without prejudice to the exceptions recognised by the ILO?

Effectiveness: To verify the effectiveness of the way the auditee ensures regular working hours, the auditor must at least evaluate that:

- Regular working hours do not exceed:
 - 48 in a week
 - 8 per day
- If there are exceptions, they only apply:
 - For supervisory or management positions
 - When by law, custom or agreement the hours of work in one or more days of the week total less than eight hours, in which case the remaining days of the week can be extended to nine hours
 - For workers employed in shifts, if the average number of working hours over a period of three weeks or less does not exceed these limits
 - For members of the same family employed in the undertaking
 - For workers subject to a special regime, defined by the local laws (e.g. security guards are often not subjected to regular legal requirements regarding working hours)

These exceptions give flexibility to the limit of daily hours as well as weekly hours. However, average working hours within three months or less cannot exceed 48 hours per week.



Coherency check: Furthermore, the auditor shall evaluate how the auditee enforces regular working hours to be coherent with the BSCI values and principles.

- Is the person in charge of recruitment aware of the legal limits of working hours and the possible exceptions? Can he/she explain workers' working hours accordingly in the recruitment process?
- Are exceptions communicated and agreed upon prior to the recruitment?
- How is the definition of shifts reached? Is the workers representative involved in the process? Are the people in charge of occupational health and safety risk assessments consulted?
- Are there grievances lodged related to alleged company disregard for regular working hours?
- How are customary and/or religious practices taken into account when the auditee defines working hours and shifts?
- Are workers aware of the regular working hours and possible exceptions? Are exceptions documented and made available?

Agriculture: For agricultural undertakings, 48 regular working hours per week as well as the exceptional cases mentioned above are recommended. However, additional exceptions related to harvesting time also apply.

Is there satisfactory evidence that the auditee request of overtime is in line with the requirements of the BSCI Code of Conduct?

Overtime:

- Any working hours exceeding the regular hour limit
- It must be paid in a premium rate

If the national legislation has set a limit of regular working hours below 48 hours per week (e.g. 40 hours per week), working hours exceeding that limit are considered overtime.

Most countries' legislations define:

- **Temporary exceptions** where regular working hours can be exceeded. E.g.:
 - Force majeure
 - Threat or actual accident
 - Urgent work to be done to machinery
- **Overtime limits** (e.g. no more than 3 hours per day)
- **Premium rate** that applies to overtime. E.g.:
 - 25% more than a regular working hour
 - 40% more if overtime occurs on Sunday
- **Type of working processes**, which, due to their nature, must be carried out in a continuous succession of shifts and for which the national law allows a permanent exception (e.g. national law allows these processes to have 2 shifts of 12 hours instead of 3 shifts of 8 hours per day)



Effectiveness: To verify the effectiveness of the way the auditee ensures fair overtime, the auditor must at least evaluate that:

- The auditee is aware of the regulation that applies to its own industry
- The auditee enforces a procedure for overtime, particularly with regard to temporary exceptions. This procedure:
 - Originates in an agreement between workers representatives and the auditee
 - Sets the daily limits of work over the exceptional period
 - Sets the premium rate paid by the auditee
 - Respects any other criteria defined by law
- **Legal permanent exception:** If the auditee belong to a type of industry covered by a legal permanent exception, the auditee keeps updated documentary proof of the agreement that backs up its claim. This agreement must have force of law and define:
 - Type(s) of exceptions
 - Categories of workers affected
 - The maximum allowance of additional working hours in each case
 - The premium rate for overtime which will not be less than 25% more than the regular rate

Coherency check: Furthermore, the auditor shall evaluate the coherence with the BSCI values and principles.

- Is overtime voluntarily agreed, unless in cases of temporary exceptions (e.g. force majeure) which need to be described in the contract?
- Is overtime exceptional rather than repeatedly added onto regular working hours?
- Does the auditee take the necessary measures to ensure that overtime decreases the risk to workers' health and safety? Are people in charge of occupational health and safety risk assessments consulted?
- Is the payment of overtime made in accordance with the law?
- Does the auditee take into consideration:
 - The vulnerability of temporary workers, migrant workers and piece rate workers to excessive overtime?
 - The accumulation of fatigue related to shift systems?
 - The special protection for young workers, pregnant women and night shift workers?

The auditor needs to justify why any identified overtime does not meet any or all of the criteria mentioned above.

The auditor pays particular attention to task rate and piece rate workers, as these kinds of arrangements, based on productivity, still need to comply with the requirements for overtime.

All these aspects also apply to an agricultural undertaking including if it is organised as a cooperative.



CRUCIAL: Is there satisfactory evidence that the auditee grants workers the right to resting breaks in every working day?

Effectiveness: To verify the effectiveness of the way that the auditee grants workers the right to rest, the auditor must at least evaluate that:

Workers are granted:

- **Short breaks:** Workers are allowed to take short breaks during working hours, especially when the work is dangerous or monotonous, to enable workers to recover their vigilance
- **Meal break:** Workers are allowed to take the necessary time for meal breaks according to the law
- **Night rest:** Workers working during the day must have at least eight hours to sleep/rest within a 24 hour period
- **Adequate areas:** Workers have access to areas where resting breaks can be effective. E.g.:
 - Access to ventilated areas
 - Accessible toilets
 - Possibility for changing the physical working position (either sitting down or standing up)

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee grants resting breaks is in coherence with the BSCI values and principles.

- Which jobs might require more resting breaks because of danger or monotony?
- How are customs or religious practices taken into consideration for defining resting breaks?
- Are resting areas effective?
- Are workers informed about the time they have for resting breaks during the day?
- Are there grievances lodged concerning potential disrespect for resting breaks?
- Do accident records indicate more contingencies after long periods of work without resting?

CRUCIAL: Is there satisfactory evidence that the auditee grants workers the right to at least one day off in every seven days?

Effectiveness: To verify the effectiveness of the way the auditee grants workers the right to rest, the auditor must at least evaluate that the auditee:

- Respects relevant regulations for days off in the country or region (e.g. the day off shall follow national law or custom)
- Grants a full calendar day off in every seven days, unless a freely negotiated collective bargaining agreement or national law defines otherwise
- Have a copy of this collective bargaining agreement (if applicable) accessible for workers and during the audit



2.7. PERFORMANCE AREA 7: OCCUPATIONAL HEALTH AND SAFETY

IMPORTANT: If the main auditee holds a valid GlobalGAP Certificate, the auditor must not monitor this Performance Area.

The performance of a company in occupational health and safety can be seen from different angles:

- Level of observance with the laws and regulations applicable for the business activity or industry
- Capacity to detect, assess, avoid and respond to potential threats to workers' health and safety
- Degree of active cooperation with workers (and/or their representatives) when developing and implementing systems towards ensuring occupational health and safety (e.g. by setting up an occupational health and safety committee)
- Capacity to protect workers in case of accidents including through compulsory insurance schemes

The auditor must be knowledgeable about the regulations on occupational health and safety relevant for the auditee's activities.

2.7.1. Regulations

Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

Effectiveness: To verify the effectiveness of how the auditee observes applicable OHS regulations, the auditor must at least evaluate that:

- The auditee works in line with the regulations on occupational health and safety relevant for its activities
- If the country does not prescribe occupational health and safety regulations for its sector, the auditee seeks alternatives to ensure workers' right to healthy working and living conditions. This includes:
 - Following international standards and specifications
 - Involving workers and their representatives in the drafting and enforcement of the internal procedure on occupational health and safety

Coherency check: Furthermore, the auditor shall evaluate that the ways in which the auditee grants healthy working and living conditions is coherent with the BSCI values and principles.

- Are workers informed on the specific health risks and the necessary protocols they need to follow to overcome those risks?
- Are workers and their representatives involved in the definition of occupational health and safety procedures?
- Are there grievances lodged concerning potentially unhealthy or insecure working conditions?
- Do accident records indicate any contingencies related to a lack of observance towards the OHS regulations?
- How is the information from the accident records used to improve the occupational health and safety procedure?



Is there satisfactory evidence that the auditee seeks to improve workers' protection in case of accident, including through compulsory insurance schemes?

The auditor has an overview of the auditee's continuous efforts towards improving the protection of its workforce in case of accidents. The auditor verifies the different ongoing measures that have been put in place. The endorsement of compulsory insurance schemes is one example of these measures.

Effectiveness: To verify the effectiveness of the ways in which the auditee seeks to improve workers' protection, the auditor must at least evaluate that:

- The auditee involves workers and their representatives to identify better ways to protect workers from accidents
- The auditee provides regular training for workers and management on how to avoid accidents and minimise their impacts
- The auditee regularly analyses the accident records to gather lessons learned and adjust the protocols accordingly

Coherency check: Furthermore, the auditor shall evaluate how the auditee seeks to improve workers' protection in coherence with the BSCI values and principles.

- Are workers informed of the threat of and actual accidents as well as the protocols they need to follow to overcome those risks?
- Are workers and management regularly trained by a competent person?
- Are there grievances lodged concerning potentially unhealthy or insecure working conditions?
- Do accident records indicate the cause of accident and have lessons learned been taken into consideration to adjust safety protocols? How and how often is this information from the accident records used?

2.7.2. Risk Assessment

Is there satisfactory evidence that the auditee regularly carries out risk assessments for safe, healthy and hygienic working conditions?

Effectiveness: To verify the effectiveness of the way that the auditee carries out risk assessments, the auditor must at least evaluate that:

- The auditee recognises potential deficiencies by conducting OHS risk assessments on a regular basis
- The auditee is able to determine to what extent these deficiencies could result in substantial danger for workers (severity versus likelihood), and what kinds of preventive or remedial measures are necessary
- The auditee uses the risk assessments to develop and maintain an action plan which contains all the necessary measures to promote and maintain safe, healthy and hygienic working conditions



Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee carries out risk assessments is coherent with the BSCI values and principles.

- Is the risk assessment appropriate to ensure the safety and health of all workers? Does it cover all production activities, workplaces, machinery, equipment, chemicals, tools and processes?
- Does the risk assessment use relevant standards as a reference (e.g. national law and/or international standards)?
- Does it take into consideration the special needs of the most vulnerable workers such as pregnant women and new mothers, young workers, migrant workers? The list is not exhaustive but it is up to the auditee to identify these workers.
- Does the risk assessment take into consideration the transmittable and non-transmittable diseases in the work environment? Does it include regular monitoring and testing? Does it include consultation with workers and their representatives?
- Does the auditee allocate adequate human and financial resources to ensure that the identified risk(s) are mitigated?

Is there satisfactory evidence of active cooperation between management and workers (and/or their representatives) when developing and implementing systems towards ensuring OHS?

Active cooperation between management and workers and their representatives presents an opportunity for the auditee to understand:

- Urgent demands from workers that need to be solved in the short-term
- Necessary medium- and long-term improvements to eventually implement

Effectiveness: To verify the effectiveness of how the auditee management cooperates with workers, the auditor must at least evaluate:

- To what extent workers and their representatives are consulted during the risk assessment, the development and implementation of the OHS systems
- The auditee has set up an occupational health and safety committee (or alternative structure) of democratically elected workers representatives
- The OHS committee is regularly active and meeting minutes record their decisions

Coherency check: Furthermore, the auditor shall evaluate how the auditee management cooperates with workers to comply with the BSCI values and principles.

- Do workers who are members of the OHS committee or equivalent structure receive the adequate training?
- How often does the OHS committee (or alternative structure) meet? How are their recommendations communicated to the decision-maker(s)?
- How often do the OHS committee recommendations get taken into consideration and what are the auditee reasons to disregard them?



2.7.3. Training

Is there satisfactory evidence that the auditee regularly provides OHS trainings to ensure workers understand the rules of work, personal protection and measures for preventing and reacting to injury to themselves and fellow workers?

Effectiveness: To verify the effectiveness of how the auditee provides OHS training to workers, the auditor must at least evaluate:

- **Meeting legal expectations:** Workers training on OHS needs to meet expectations required by national law. E.g.: Basic training usually focuses on:
 - Training on how to use personal protective equipment (PPE). The training pays particular attention to vulnerable workers and includes cleaning, replacing when damaged and appropriate storage of the PPE
 - Training on how workers need to react in case of injury to themselves and/or fellow workers
- **Appropriate training:** The content of the training provides appropriate information as well as comprehensible instructions on safety and healthy work environments for workers
- **Appropriate frequency:** The training frequency shall take staff turnover into account
- **Supervision:** Workers have the information on the hazards and risks associated with their work and are supervised when necessary. They know what actions must be taken to provide themselves with the necessary protection
- **Adequate guidelines:** Workers' guidance and supervision takes into account workers' levels of education and languages that are applied to the workplace
- **Evacuation and firefighting drills:** These drills are documented with clear indication of:
 - Purpose
 - Number of workers who participated
 - Results
 - Photos
 - Dates
 - Duration: The time for evacuating the building should be recorded and never exceed nine minutes



2.7.5. Chemicals

Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

Effectiveness: To verify the effectiveness of how the auditee implements and enforces control measures, the auditor must at least evaluate that:

- **Risk assessment:** The auditee has identified the engineering and administrative control measures that may be needed to avoid or minimise the release of hazardous substances into the work environment
- **Administrative control measures:** The auditee implements administrative control measures such as:
 - **Authorisation:** Only authorised workers have access to chemical substances
 - **Protection:** Workers receive adequate protection for handling and administering chemicals
 - **Record keeping:** Distribution, use and disposal of chemicals is properly recorded
 - **Following instructions:** The use of chemicals corresponds to the recommendations of the manufacturer
 - **Labelled:** The labelling of chemicals and marking of hazards are clearly understood by the workers and are done in accordance with nationally and internationally recognised requirements. E.g.:
 - The International Chemical Safety Cards (ICSC)
 - The Materials Safety Data Sheets (MSDS)

More information on the management of chemicals can be found at the following link: www.inchem.org/pages/icsc.html
- **Engineering control measures:** The auditee implements engineering control measures for:
 - Expelling fumes, steam and dust outside (e.g. spot cleaning places)
 - Properly disposing chemicals, even in the absence of national legal regulations

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee implements control measures is coherent with the BSCI values and principles.

- Do workers receive proper training on how to use both administrative and engineering measures?
- Is the implementation of control measures based on the information gathered through the OHS risk assessment?
- Is management, particularly supervisors, trained on how to implement the control measures? Is there a procedure to manage the quantity and effectiveness of the controls? How often are the controls monitored?
- Is there a procedure to report alerts and repair any problem detected in the control measures?



2.7.6. Accident and Emergency Procedures

Is there satisfactory evidence that the auditee has developed and implemented accident and emergency procedures?

Effectiveness: To verify the effectiveness of the way that the auditee implements accident and emergency procedures, the auditor must at least evaluate that:

- The auditee understands the importance of having documented emergency procedures which are also properly implemented
- The auditee has visually displayed the accident and emergency procedures in a way that is clear for workers and first-aid personnel
- The auditee has the procedures in place to immediately stop any operation where imminent and serious danger threatens workers' safety and health
- The auditee has the procedures in place to enable workers to safely evacuate the premises when needed
- The auditee ensures these procedures are properly explained to:
 - Seasonal and temporary workers
 - Night workers
 - Migrant workers
 - Pregnant women
 - Young workers and other vulnerable workers

Coherency check: Furthermore, the auditor shall evaluate that the way that the auditee implements accident and emergency procedures is coherent with the BSCI values and principles.

- Do workers receive proper training on how to act in case of accident or emergency? Are there specific instructions for workers depending on the type of work or department?
- Are the accident and emergency procedures based on the information gathered through the OHS risk assessment? Are the workers and their representatives involved in developing the procedures?
- Is management, particularly supervisors, trained on how to ensure workers follow the accident and emergency procedures?
- Are there any grievances lodged with regard to the possible neglect of accident and/or emergency procedures?
- Is there a procedure to control the effectiveness of the procedures? How often are they monitored?



Is there satisfactory evidence that the auditee makes visible potential hazards to the workers and visitors through signs and warnings?

Effectiveness: To verify the effectiveness of the ways in which the auditee makes visible potential hazards, the auditor must at least evaluate that:

- The auditee is sensitive to the workers' specific cultures and activities
- The types of signs and the places chosen for their display are appropriate
- The warnings are suited to point to potential hazards. E.g.:
 - Chemicals
 - Electricity
 - Hot surfaces
 - Falling objects
 - Slippery floors
 - Machinery and vehicles

Coherency check: Furthermore, the auditor shall evaluate that the ways in which the auditee makes visible potential hazards is coherent with the BSCI values and principles.

- Do workers understand the meaning of the signs and warnings?
- Is the type of hazard identified in the OHS risk assessment? Are the workers and their representatives contributing to this aspect of the risk assessment?
- Do the types of hazards, with warnings about them, relate to accident and emergency procedures?
- Is the effectiveness of the signs regularly monitored or reported on? How often?

Is there satisfactory evidence that the auditee has and properly uses procedures and systems for reporting and recording occupational accidents and injuries?

Effectiveness: To verify the effectiveness of the way the auditee reports and records accident and injuries, the auditor must at least evaluate that:

- **Reporting:** The auditee has systems in place that enable workers to report immediately to their supervisors any situation which may present a serious danger to people's lives or health. Accidents and near-misses should be reported.
- **Recording:** The auditee keeps records on all accident and injury records by specifying:
 - **When** the accident took place (e.g. date, peak season, picking season)
 - **Who** was involved
 - **What** actions were taken
 - **What** the final result was (death, injury)
 - **How** the accidents (or work-related diseases) were investigated
 - **What** prevention and remediation actions were taken
 - **For how long** the workers were incapacitated



Coherency check: Furthermore, the auditor shall evaluate that the way the auditee reports and records accidents and injuries is coherent with the BSCI values and principles.

- Do workers understand the protocol to report accidents and injuries to their supervisors? Are they able to evaluate the seriousness of potential dangers in the workplace?
- Do workers receive training on how to prevent and respond to the most frequent accidents or injuries that happen in their area of work?
- (How) are the accident records used to apply lessons learned to improve safety in daily operations? How are these lessons learned incorporated into the revision of accident and injury protocols?
- Are there indications that most accidents or injuries are experienced by vulnerable workers? Are there specific measures meant to prevent this, so vulnerable workers receive particular kinds of protection?

Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

The auditor is not expected to conduct “building integrity inspections” which go beyond his/her mandate as a social auditor.

Effectiveness: To verify the effectiveness of the way in which the auditee confirms that the equipment and buildings used for production are stable and safe, the auditor must at least evaluate that:

- The auditee knows and follows national legal requirements concerning stability, safety and appropriateness of its building to conduct the business activities
- The auditee knows and follows the legal requirements concerning the safety of equipment including, if relevant, ongoing official inspections
- The auditee has procedures in place to confirm the stability and safety of the equipment
- The auditee maintains accurate documentation on any official and private inspection concerning building and equipment safety and stability
- The auditee is in possession of a valid licence to conduct its activities in the related building(s)

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee confirms that the equipment and buildings used for production are stable and safe is coherent with the BSCI values and principles.

- Does the auditee conduct its activities in adequate surroundings and buildings?
- Are there any grievances lodged concerning a potentially unstable or unsafe building or piece of equipment provided by the auditee?
- Are workers able to assess a potential danger associated with the building and/or the equipment?
- Are there cases documented in the accident records which show that part of the building or a piece of equipment was unsafe?



2.7.7. Electricity

Is there satisfactory evidence that the auditee makes sure a competent person periodically checks the electrical installations and equipment?

Effectiveness: To verify the effectiveness of the way that the auditee ensures a competent person checks electrical installations and equipment, the auditor must at least evaluate that:

- The person in charge of maintaining safe electrical installations is competent by means of training, qualification and/or experience
- The person checks the electrical installations and equipment:
 - Within the pre-defined timeframe
 - Randomly (e.g. in addition to regularly established checks/maintenance)
 - As per request
- The checks are properly recorded and, if possible, posted close to the verified installation or equipment with clear messages about current status
- The record includes at least:
 - Name of the person in charge
 - Date of the last check
 - Description of the finding (if any)
 - Due date for the next check
- Only properly insulated tools in good working condition are used when dealing with electrical installations and equipment
- People working with installations and equipment have adequate working space and lighting to conduct their work safely. This can be:
 - In accordance with the official regulations
 - Based on common good practice, if those regulations do not exist

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee ensures a competent person checks electrical installation and equipment is coherent with BSCI values and principles.

- Are electrical installations and equipment functioning in a way that ensures a safe work environment?
- Are results from the checks taken into consideration to improve safety in the workplace?
- Is the workplace free from distribution lines? Electrical cords shall not pose a tripping hazard
- Are workers properly instructed to avoid possible risk of strangulation or any other accident that could be related to electrical installations?



2.7.8. Fire Protection

CRUCIAL: Is there satisfactory evidence that the auditee has installed an adequate amount of properly working firefighting equipment?

Effectiveness: To verify the effectiveness of the way that the auditee installs firefighting equipment, the auditor must at least evaluate that:

- The installation of firefighting equipment is in line with the OHS action plan developed as a result of the periodic risk assessment
- The auditee follows national law specifications with regard to requirements for firefighting equipment. This usually includes:
 - Position and placement
 - Size and effectiveness
 - Maintenance and inspection requirements
- There are functioning and sufficient fire extinguishers for workplace dimensions and activities
- The firefighting equipment is:
 - Distributed in an equal manner throughout the workplace
 - Placed at a height for it to be effective and easily accessible by workers
 - Properly identified (inventoried) with clear reference to the last serviced date and due date for the next inspection
- The location of the fire extinguishers and the route to reach them are visually marked
- Early warning systems are installed and functioning in an adequate manner as required by the law: smoke sensors, fire alarms, alarm devices
- At least a relevant number of workers know how to use a fire extinguisher

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee installs firefighting equipment is coherent with the BSCI values and principles.

- Is firefighting equipment functioning in a way that ensures a safe work environment?
- Are workers properly instructed on how to use firefighting equipment? Do they know the protocol to be followed in case of fire? Do they understand the warning signals?
- If there are other types of alarms being used in the workplace (e.g. end of shifts), are they clearly distinct from the fire alarm?
- Are there cases documented in the accident records that resulted from fire? If yes, was the protocol followed? What lessons were or can be drawn from those cases?
- How often are the workers trained on the use of firefighting equipment? Are workers who deal with chemicals and other inflammable substances adequately trained?



2.7.9. Escape Routes and Emergency Exits

CRUCIAL: Is there satisfactory evidence that the auditee ensures that escape routes, aisles and emergency exits in the production site are not blocked, easily accessible and clearly marked?

Effectiveness: To verify the effectiveness of the way that the auditee ensures accessible and visible escape routes, aisles and emergency exits for all workers, the auditor must at least evaluate that:

- Escape routes, aisles and emergency exits are fully and simultaneously:
 - Not blocked
 - Easily accessible
 - Clearly marked
- Workers and visitors can easily leave the premises in case of an incident without putting their lives at risk
- The auditee approaches safe evacuation in a systemic and preventive manner, which includes:
 - Escape routes, aisles and emergency exits that are:
 - Not blocked or locked during working time
 - Marked without ambiguity
 - Emergency lights and any other evacuation signals are properly installed, well-functioning and verified on a regular basis
 - Production rooms with more than 10 workers have doors which open outwards unless the national law sets different specifications in which case the rule that provides higher protection to workers applies
 - The number of emergency exits directly relates to:
 - The number of workers
 - The size and occupancy (e.g. with regard to population density) of the building
 - The arrangement of the workplace

Coherency check: Furthermore, the auditor shall evaluate that the auditee ensures safe, accessible and visible escape routes, aisles and emergency exits in coherence with the BSCI values and principles.

- Are escape routes, aisles and emergency exits defined in a way that ensure a safe work environment?
- Are workers properly instructed on how to use them? Do they understand the ways in which escape routes, aisles and emergency are visually marked? Do they know the easiest way to follow to exit the workplace?
- Are there any internal regulations that conflict with the requirement of unblocked exits (e.g. for security reasons)?
- Are there cases in the documented accident records that show problems with the exits? Were any lessons learned and put into practice?
- How often are the workers trained on the use of firefighting equipment? Are there workers who deal with chemicals and other inflammable substances located close to the escape routes?



2.7.10. Machine and Vehicle Safety

Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

Effectiveness: To verify the effectiveness of the way that the auditee ensures adequate safeguards for any machine, the auditor must at least evaluate that:

- All applicable safeguards for equipment are available and properly installed, e.g.:
 - Belt encasements
 - Grills for fans
 - The emergency switch-off
- The auditee ensures valid inspection and insurance for machinery and vehicles as required by law. This may be the case for:
 - Elevators, lifts
 - Trucks, tractors and other potentially dangerous machines
- The auditee ensures maintenance is carried out by competent personnel
- The auditee keeps records of the maintenance, which includes:
 - Purpose and result of the maintenance
 - Name of the competent person in charge
 - Applicable insurance and its validity
 - Next scheduled maintenance work

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee ensures adequate safeguards for any machine is coherent with the BSCI values and principles.

- Are workers properly instructed on how to handle potential hazards related to machines and vehicles?
- Are there documented cases in the accident records which resulted from machines and vehicles? Were lessons learned? If yes, how were those lessons integrated into the OHS procedure?
- Do workers who use machines and vehicles possess the adequate qualifications to use them in a safe manner?



2.7.11. First Aid

CRUCIAL: Is there satisfactory evidence that the auditee ensures qualified first-aid is available at all times?

Effectiveness: To verify the effectiveness of the way that the auditee ensures qualified first-aid provision, the auditor must at least evaluate that:

- The auditee respects national regulations concerning medical provisions
- If there are no such legal regulations, the auditee ensures:
 - Adequate first-aid stations or rooms
 - Adequate first-aid kits
 - Access to potable water, eye-wash stations and/or emergency showers close to workstations when/where immediate flushing with water is the recommended first-aid response
 - A fully-qualified person appointed to provide first-aid. Qualified staff shall be present in relevant numbers to address associated risks throughout the workplace
 - A fully-qualified person to verify the contents of the kit; who can also re-fill it
 - Training on first-aid and related procedures to ensure emergency treatment is available at all times
- Where immediate flushing with water is the recommended first-aid response, the auditee ensures that workstations are either equipped with or very near to:
 - Potable water
 - Eye-wash stations
 - Emergency showers

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee ensures qualified first-aid is coherent with the BSCI values and principles.

- Is there a fully-qualified person appointed to provide first-aid? Is the working schedule of that person available? Are workers aware of who would replace that person?
- How often are workers trained on first-aid?
- Are there cases in the documented accident records that show that workers required first aid? Were lessons learned? If yes, how have those lessons been integrated in the OHS procedure?
- Have workers who use machines, vehicles or those who handle chemicals or those who conduct any other risky activity been made well-aware of the first-aid protocol? Are vulnerable workers aware of the first-aid protocol?



2.7.12. Work place, Social Facilities, including housing when provided by the auditee

CRUCIAL: Is there satisfactory evidence that the auditee provides workers with potable water at all times?

The right to potable water applies to the workplace facilities where workers prepare or eat food as well as to the housing provided by the auditee.

Special attention shall be given to this right in countries where the risk of dehydration may be higher due to hot/dry weather.

Effectiveness: To verify the effectiveness of the way that the auditee ensures potable water, the auditor must at least evaluate that:

- Workers have access to clean potable water at all times, not only during breaks
- Access to water is not used as means for discrimination or as a disciplinary measure
- Workers have access to clean potable water without risk of contagion
- The auditee respects the characteristics and tests required for potable water as defined by national regulations
- The auditee ensures that there are proper signs to identify water which is not potable in places where it is not mandatory that water be potable

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee ensures potable water is coherent with the BSCI values and principles.

- Are workers aware of their right to potable water at all times? How often do they access water?
- Does the auditee pay particular attention to the risk of dehydration? Does the auditee go to extra efforts to ensure vulnerable workers have access to water?
- How is water supply guaranteed? Who is responsible to ensure that water is always available? Do workers have access to water storage?

Is there satisfactory evidence that the auditee provides workers with access to an appropriate, clean area for storing food, eating and/or cooking?

The auditor takes pictures of the state of these areas and includes them in the audit report.

The auditor verifies how food is stored; records of cleaning shifts; menus provided and the range of lunch and/or dinner shifts (if applicable).

Effectiveness: To verify the effectiveness of the way that the auditee ensures appropriate areas for storing food, eating and/or cooking, the auditor must at least evaluate that:

- Workers are provided with access to clean areas for food storage, cooking and/or eating, including in remote areas (e.g. during harvest)
- The auditee will follow national regulatory criteria, which usually relate to the number of workers
- The auditee ensures that clean and appropriate areas are also provided during peak season or any other occasion where the number of workers may increase with the use of seasonal or subcontracted workers



Coherency check: Furthermore, the auditor shall evaluate that the auditee ensures appropriate areas for storing food, eating and/or cooking in compliance with the BSCI values and principles.

- Are workers satisfied with the areas provided by the auditee?
- How is the food stored to ensure it keeps its nutrients?
- Are records available on the cleaning shifts for these areas? Is catering subcontracted? Is the menu displayed and are records kept?
- If there are no legal minimum criteria, does the auditee conduct assessments to define them in consultation with workers and their representatives?

Is there satisfactory evidence that the auditee provides workers with clean washing facilities, changing rooms and toilets that are also respectful of local customs?

Effectiveness: To verify the effectiveness of the way that the auditee provides workers with clean washing facilities, changing rooms and toilets, the auditor must at least evaluate that:

- The auditee follows national regulations concerning the minimum number of washing facilities and toilets for the size of the company
- If there is no national regulations, the auditee determines its criteria based on the OHS risk assessment and related action plan
- The auditee is able to explain, during the audit, the reasons for having the amount of facilities it has and the plans to adapt the number if needed
- The toilets are sanitary. This implies: hygienic conditions, soap supply, working locks and separate washroom facilities for women and men
- The auditee provides hygienic changing rooms, when necessary, for workers who change their clothes to perform their functions. This is particularly relevant for workers who handle hazardous substances or have to wear a uniform

Particular attention shall be devoted to ensure that facilities meet workers' needs even when the number of workers increases (e.g. peak session).

Coherency check: Furthermore, the auditor shall evaluate that the ways in which the auditee provides workers with clean washing facilities, changing rooms and toilets are coherent with the BSCI values and principles.

- Does the number of washing facilities, changing rooms and toilets meet the needs of the total number of workers?
- Are gender-based needs taken into consideration?
- Does the auditee ensure that the facilities meet workers' needs even when the number of workers increases (e.g. peak session)?
- Are there any grievances about a potential lax and/or unsanitary approach in how these facilities are provided?



Is there satisfactory evidence that the auditee provision of transportation to workers is safe and complies with national regulations?

If the auditee does not provide transportation to workers, the auditor shall answer this question Not Applicable and justify the answer under “Findings”.

Effectiveness: To verify the effectiveness of the way that the auditee provides transportation, the auditor must at least evaluate that:

- The transportation provided to workers (either directly or using third parties) is safe and complies with national regulations
- The auditee is able to provide information on how workers get to the premises (e.g. using public transportation, a bicycle)
- The auditee ensures that vehicles unsuitable for human transportation are not used to commute workers (e.g. the use of agricultural vehicles for human transportation represents an additional risk for accidents)

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee provides transportation is coherent with the BSCI values and principles.

- Is the auditee aware of the way workers commute to work? Are workers consulted on the most effective means of transport? Is the cost of transportation provided by the auditee in a transparent manner?
- Are there alternatives for workers? Is the person in charge of driving workers to the site qualified to do so? Is that person subcontracted?

Is there satisfactory evidence that the auditee has chosen the location of the social facilities or workers housing to ensure occupants are not exposed to natural hazards or affected by the operational impacts of the worksite (for example noise, emissions or dust)?

Effectiveness: To verify the effectiveness of the way that the auditee provides workers housing, the auditor must at least evaluate that:

- The decision on where to set up social facilities (e.g. canteens) or housing is part of the OHS risk assessment and related action plan
- The auditee is able explain how and why the locations were chosen, so workers (and/or their families, if applicable) are not exposed to natural hazards or health and safety risks
- In cases where, due to the nature of the work, workers are required to live temporarily or permanently in the undertaking, the auditee provides adequate welfare facilities and accommodation at no cost to the worker (e.g. agriculture and/or animal production)

Coherency check: Furthermore, the auditor shall evaluate that the auditee provides workers with housing in a way that is coherent with the BSCI values and principles.

- Are workers satisfied with the housing conditions?
- Is sufficient space per individual granted?
- Does the social housing provide safe places for workers to keep their personal belongings?
- How often are they cleaned? Who is in charge of keeping the housing clean? Is there a big fluctuation of workers/occupants coming and leaving?



Is there satisfactory evidence the auditee verifies that temperature, humidity, space, sanitation, illumination are adequate for the health and safety of workers?

National law usually defines the characteristics for workplaces as well as social facilities and housing so they provide a healthy and adequate environment for workers.

Particular attention shall be devoted to cases where the auditee provides workers with housing. The rooms or sleeping quarters shall not be overcrowded, workers shall have space to store personal items while laundry and waste disposal need to be properly organised.

Effectiveness: To verify the effectiveness of the way that the auditee verifies adequate temperature, humidity, space, sanitation, illumination, the auditor must at least evaluate that:

- Space and illumination are provided in an adequate way for workers' specific activities
- The auditee includes the assessment on temperature, humidity, space, sanitation and illumination as part of the OHS risk assessment and related action plan
- The auditee consults workers and their representatives as well as the person in charge of OHS
- The schedule for garbage (and recycling) pickup shall be displayed for workers who live in the housing

The auditee shall be able to provide consistent information on the existing conditions; improvement plans (if any); timeline; and related cost allocations to ensure these aspects of the workplace, social facilities and housing fully respect workers' health and safety.

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee verifies adequate temperature, humidity, space, sanitation, illumination is coherent with the BSCI values and principles.

- Are workers satisfied with the temperature, humidity, space, sanitation, illumination conditions?
- Are there any grievances concerning the quality of any of these aspects?
- How often are workers and their representatives consulted about these conditions?
- Is the scheduled garbage pickup displayed? How are laundry services or rooms organised?
- Are there cases documented in the accident records which show neglect for any of these conditions? Were lessons learned? If yes, how were those lessons integrated in the OHS procedure?





Documents Related to this Performance Area

Certificates and contracts:

- Valid inspection and insurance for machinery and vehicles
- Purchase invoices of the PPE bought by the auditee
- Valid business license and all necessary official approvals to run operations
- Official building certificate about safety and appropriateness for the industry
- Contract with any service provider including food services, transportation, agents

Training:

- Documentary evidence of workers' training on occupational health and safety
- Workers and management training calendar
- Documentary evidence of workers' qualification for those dealing with dangerous machines, electrical installation and any other activity that requires specific training due to the level of risk

Records and reports:

- Risk assessment for safe, healthy and hygienic working conditions
- Action plan for safe, healthy and hygienic working conditions
- Documentary evidence of updated contributions to social insurance funds
- Occupational Health and Safety Regulations applicable for the industry
- Documentary evidence of the election process of the health and safety committee
- Minutes of the health and safety committee meetings
- Documentary evidence of consumption, withdrawal and disposal of chemicals (including Material Safety Data Sheets – MSDS)
- Official inspections conducted to ensure building and equipment safety, including date of validity and corrective actions if any
- Inspection reports, maintenance records, operating and safety instructions for:
 - Dangerous machines, including but not limited to lifts, electrical equipment, high-pressure equipment
 - Firefighting equipment (e.g. inspection tags on fire extinguishers)
 - Potable water at production facilities and dormitories
 - Health and safety for the facilities and dormitories including but not limited to temperature, noise level and lighting



2.8. PERFORMANCE AREA 8: NO CHILD LABOUR

Child labour can be detected and addressed through due diligence, company recruitment and regular dialogue with workers, workers representatives and other key stakeholders. In all cases, a child must be protected, feel safe and able to express her/his work experiences in confidence.

Addressing child labour in the supply chain in a responsible way is very complex; especially in locations where child labour may be common. Removing them from work may force them to enter worse forms of exploitation or greater vulnerability.

CRUCIAL: Is there satisfactory evidence that the auditee does not engage in illegal child labour directly or indirectly?

Children who are working who are younger than 15 years old (or younger than 14 years old in countries that have set that age as the threshold), is regarded as child labour, unless it is **light work** (defined below).

Child labour occurs when work:

- Is done by a person who is younger than 15 years old (or someone who is younger than 14 years old in countries that set that age as the threshold)
- Is mentally, physically, socially and/or morally dangerous
- Is harmful to children
- Interferes with their schooling because it:
 - Deprives them of the opportunity to attend school
 - Obliges them to leave school prematurely
 - Requires them to attempt to combine school attendance with excessively long and heavy work
- It is not “light work”

Light work refers to the participation of children or adolescents in work activities such as:

- Helping their parents around the home
- Assisting in a family business
- Earning pocket money outside school hours and/or during school holidays

Light work is acceptable as long as:

- The child is at least 13 years old (or at least 12 years old in countries that have set a minimum age of 14)
- It does not prejudice their attendance to school or time dedicated to homework (e.g. maximum two hours in any working day)
- It does not take place on a continuous basis (e.g. school holidays)
- It is supervised by either parents or any other guardian who can ensure the tasks provided to children are not harmful for their health or interfere with their schooling



A higher minimum age of 18 years is set for hazardous work which, by its nature or the circumstances under which it is carried out, is likely to jeopardise peoples' health, safety and/or morals.

Effectiveness: To verify the effectiveness of how the auditee ensures not to engage in illegal child labour directly or indirectly, the auditor must at least evaluate that:

- The auditee has taken the necessary measures to:
 - Understand what child labour is, particularly by building the awareness of supervisors and recruitment staff
 - Identify the likelihood of child labour in its industry or region (e.g. some industries such as agriculture, hunting, forestry, fishing, mining and quarrying have a higher risk of child labour than others)
 - Not engage child labour indirectly (e.g. using recruitment agencies, or allowing migrant or seasonal workers to use their own children to support them at work)
- The auditee keeps accurate records of:
 - Migrant and/or seasonal workers children's names, ages, school schedules and information on their schools
 - Age and identity cards of workers engaged via recruitment agencies
 - Agencies' recruitment procedures to avoid engagement of children or illegal workers (among others)
- The auditee keeps contact details of the stakeholder(s) to be involved in the solution of child labour cases

Flagrant child labour: If child labour is found during the audit, immediate actions shall be taken by the auditor at that very moment:

- Identification of the child and his/her family
- Determine if the case refers to accidental child labour (e.g. the company was led to believe the child was older) or if there is a case of the “worst form of child labour and exploitation”, which deserves different remediation
- Get in touch with the family/guardian and relevant stakeholders to ensure the child is removed in a responsible way

If the auditee has mapped its relevant stakeholders and developed its child labour procedure, the case of child labour allows the auditor to witness the effectiveness of the procedure. If child labour is identified during the audit, the auditor shall prioritise the follow up on the steps mentioned above, which are to be taken by the auditee.



The auditor takes the necessary time to interview the child and, through that interview, gathers as much information as possible on:

- How did the child enter the job?
- For how long has he or she been employed?
- How has he or she been treated?
- What has been the payment, working time and under which working conditions?
- Has he or she been provided food and housing?
- Are there other children onsite?
- What is the child's background?

In order to reach the best outcome of this interview, the auditor shall be well-equipped with specific interview techniques to make the child feel comfortable and safe.

Immediate notification: The issue needs to be notified immediately via the BSCI Platform. [\[See BSCI System Manual Part V - Annex 5: BSCI Zero Tolerance Protocol\]](#)

The effectiveness of the child labour procedure shall be reported under the Child Labour Performance Area either as an area for improvement or as a good practice.

IMPORTANT: It is not the child who is in breach of the law, but the employer. The child should not get the impression that something bad will happen to him/her. Auditors must be genuinely willing to listen to what the child is saying, but they should also know when to stop the interview if the child's memories and experiences are too intense or painful.

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee ensures not to engage in illegal child labour directly or indirectly is coherent with the BSCI values and principles.

- Are the questions in the recruitment procedure respectful to individuals?
- Does the auditee take into consideration gender issues?
- Is the auditee particularly vigilant if it is based in a region with a high level of migration and seasonal workers?



Is there satisfactory evidence that the auditee has established robust age-verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker?

Effectiveness: To verify the effectiveness of the way that the auditee establishes robust age-verification mechanisms, the auditor must at least evaluate that:

- The recruitment procedures integrate the necessary measures to avoid or minimise the risk to hire minors. The risk is higher for:
 - Certain sectors (e.g. mining, agriculture)
 - For jobs that require low or no qualifications
 - For work conducted in remote areas where:
 - Labour inspectors are less likely to reach
 - Individuals have limited access to official identity cards
- The age-verification mechanism includes:
 - Training the person or people in charge of hiring workers and dealing with high-risk situations
 - Training the person or people in charge of recruitment to “cross verify” interview techniques to find out the age of job candidates in interviews
 - Regular cross verification of workers’ age with other stakeholders (e.g. recruitment agencies, previous employers)
- The age verification mechanism is documented, including the type of questions used by the recruiter to cross verify the age claimed by the worker
- The age verification mechanism is triggered only in cases where the person in charge of recruitment may have doubts about the age claim

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee establishes robust age-verification mechanisms is coherent with the BSCI values and principles.

- Are the questions in the recruitment procedure respectful to individuals?
- Does the age-verification mechanism take into consideration gender issues?
- Do workers usually have identification cards?
- Are medical check-ups used to support the verification of age?
- Is the auditee particularly vigilant if it is based in a region with a high level of migration and seasonal workers?
- Is the person in charge of human resources adequately trained on age verification?



Is there satisfactory evidence that the auditee has adequate policies and procedures in writing toward protecting children from any kind of exploitation?

Effectiveness: To verify the effectiveness of the way that the auditee protects children from exploitation, the auditor must at least evaluate that:

- The policies and procedures aim at avoiding any exploitation of children, both directly or indirectly
- The procedure develops from a systematic analysis of the circumstances under which exploitation of children occur
- The procedure sets out:
 - The necessary steps to ensure children are protected from exploitation
 - How to deal with the case of child labour in the most responsible and humane way

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee protects children from exploitation is coherent with the BSCI values and principles.

- Is there any hazardous working condition in the workplace that could be problematic even for adults? If yes, what kind of measure is absent but needs to be put in place to reduce or eliminate the hazard[s]?
- Is the business based in a region/area where drug trafficking, prostitution or any other illegal activity is recurrent? If yes, what additional measures shall be taken?
- Is the business based in a region/area where family poverty could be the driving force behind child labour?
- Is there any child labour programme or project run in the area by government, NGOs or others?
- Is there any trade union which could provide support in cases of child labour?
- Is there any educational or vocational training facility nearby or in the regional vicinity? Are there available contact details and/or schedules?
- Can the education or social welfare authorities provide assistance?
- Is there financial compensation available for children to stop working so they can go to school?

Is there satisfactory evidence that the auditee has adequate and remedial policies and procedures to provide for further protection in case children are found to be working?

Having a policy of only engaging adults is not considered a preventive measure.

Possible alternatives: The auditee needs to understand child labour risks (through its own recruitment or indirectly) and the possible alternative for an adequate removal and rehabilitation of the child into society (e.g. non-formal or basic education to bring older children up to grade level so they can successfully intern or re-enter regular schools).

Stepwise approach: The auditor and auditee need to be aware that in some cases the best approach may be to define a schedule for rectifying irregularities in order to progressively remove children from work. This might be more appropriate than drastically and immediately removing the child without any supervision. He or she may end up drifting back or disappearing into less visible and more exploitative, hazardous, illegal types of work.



Effectiveness: To verify the effectiveness of the way that the auditee provides for further protection in case children are found to be working, the auditor must at least evaluate that:

- The auditee has developed and maintains policies and procedures for remediation in case child labour occurs
- The remediation procedure includes removal and rehabilitation of the children
- The remediation procedure has as the ultimate goal that the child is better off as a result of being removed, rehabilitated or prevented from working
- The auditee understands the relevance of stakeholders who could support in cases of dismissals of children who are found working
Examples of such stakeholders are local chapters of organisations like Save the Children, UNICEF and government agencies with mandates to protect children.

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee provides for further protection in case children are found to be working is coherent with the BSCI values and principles.

- Does the auditee understand why child labour needs to be eradicated?
- Does the auditee understand that a child who is found working needs to be responsibly rehabilitated into society?
- Does the auditee understand that a progressive removal may in some cases be the best solution?
- Are there any grievances lodged concerning any potentially irresponsible removal of a child?



Documents Related to this Performance Area

- Personnel data files for all workers (including seasonal workers and workers hired using recruitment agencies)
- Age-verification procedure
- Documentary evidence of training given to workers, management and human resources (e.g. list of attendees with signatures)
- Procedure to avoid children exploitation
- Child labour remediation procedure
- Work contracts or agreements, including with recruitment agencies



2.9. PERFORMANCE AREA 9: SPECIAL PROTECTION FOR YOUNG WORKERS

Young workers have specific rights as they can be vulnerable to precarious employment arrangements, unfair remuneration and OHS hazards.

Auditors must include young workers in their interview sample.

Is there satisfactory evidence that the auditee ensures that young persons do not work at night and are protected against conditions of work which are prejudicial to their health, safety, morals and development?

Effectiveness: To verify the effectiveness of the way that the auditee ensures special protection to young workers, the auditor must at least evaluate that:

- The job tasks assigned to young workers always consider their health, safety, morals and long-term development
- Even if the auditee does not engage young workers at the time of the audit, it shows a good understanding of what activities would be potentially harmful for young workers
- Young workers are adequately protected against any harmful working condition - potential or actual - for their health, safety, morals and/or development
- Young workers are not engaged in night shifts

The period of time that qualifies as “night work” is usually defined by national law. Without a defined national law, BSCI considers “night work” as all work which is performed during a minimum period of seven consecutive hours, including the interval between midnight and 5 am, as defined by the ILO.

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee ensures special protection to young workers is coherent with the BSCI values and principles.

- Are young workers satisfied with their task(s) and work schedules?
- Is management, particularly those in charge of human resources and supervisors, aware of the special protection granted to young workers?
- Is there a higher percentage of accident occurrence for young workers than for other categories of workers?



CRUCIAL: Is there satisfactory evidence that young workers' working hours do not prejudice their attendance at school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programmes?

Effectiveness: To verify the effectiveness of the ways in which the auditee ensures working hours do not prejudice young workers, the auditor must at least evaluate that:

- The auditee respects young workers' right to education
- The auditee ensures that the combination of working time, school time and transport time do not exceed 10 hours in a day if workers are enrolled in:
 - Local compulsory education
 - Any other vocational orientation or training programmes approved by the competent authority
- The auditee ensures that internal trainings are organised so young workers can attend. The timing of the trainings cannot coincide with young worker attendance to school or vocational training

Coherency check: Furthermore, the auditor shall evaluate that the ways in which the auditee ensures working hours do not prejudice young workers are coherent with BSCI values and principles.

- Are young workers satisfied with the work schedule?
- Have there been any internal trainings organised at times when young workers could not attend?
- Are supervisors aware of the time that young workers work? Do they take additional measures to ensure that young workers do not exceed the 10 hour daily limit (work, school, transport)?
- Are there cases when young workers were promoted after having finished vocational training?

CRUCIAL: Is there satisfactory evidence that the auditee has established the necessary mechanisms to prevent, identify and mitigate harm to young workers?

Effectiveness: To verify the effectiveness of how the auditee establishes the necessary mechanisms to not prejudice young workers, the auditor must at least evaluate that:

- The OHS risk assessment and related action plan pay specific attention to young workers
- Workers and their representatives are consulted and involved in identifying the most appropriate preventive and mitigation measures
- The mitigation measures are properly documented and practiced, when applicable



Coherency check: Furthermore, the auditor shall evaluate that the ways in which the auditee establishes the necessary mechanisms to not prejudice young workers is coherent with the BSCI values and principles.

- Are there any cases in the accident records that show that the mitigation measures were applied to young workers? Were there any lessons learned? If yes, how have they been integrated in the revision of the OHS action plan?
- Are there special preventive and mitigation measures to address young female workers?
- Are supervisors aware of the preventive and mitigation measures to avoid harming young workers?

Is there satisfactory evidence that the auditee seeks to ensure young workers have access to effective grievance mechanisms?

Effectiveness: To verify the effectiveness of the ways in which the auditee ensures young workers have access to effective grievance mechanisms, the auditor must at least evaluate that:

- Young workers receive special training on how to lodge a grievance
- Young workers are properly informed on the available support provided to them to lodge a grievance
- Young workers are trained regardless of the circumstance of employment: seasonal, subcontracted or directly engaged
- The auditee keeps records of training provided to young workers, concerning the existence and use of the grievance mechanism

Coherency check: Furthermore, the auditor shall evaluate that the ways in which the auditee ensures young workers have access to effective grievance mechanisms is coherent with the BSCI values and principles.

- Are young workers satisfied with the quality of trainings? Do they understand the steps to lodge a grievance and who could help them in the process?
- Does the auditee pay particular attention that young female workers have access to the grievance mechanism?
- Are there any grievances lodged by young workers? Are there any grievances lodged about possible laxity in protecting young workers?
- What are the lessons learned? How are they integrated in the revision of the grievance mechanism?
- Are supervisors made aware and instructed to provide support to young workers to access and utilise the grievance mechanism?



Is there satisfactory evidence that the auditee has a good overview of all young workers engaged in its production site?

Effectiveness: To verify the effectiveness of the way that the auditee seeks to have the overview of all young workers engaged; the auditor must at least evaluate that:

- The auditee properly understands that young workers are more vulnerable than most workers
- The auditee devotes extra efforts towards monitoring young workers' working conditions
- The auditee has a good overview of young workers' work cycles in the organisation
- Work cycle refers to:
 - The recruitment process
 - Remuneration
 - Hours of work
 - Disciplinary measures
 - Promotion
 - Trainings and termination of employment
- The auditee collects and keeps specific records on young workers

BSCI provides Template 7: Young Workers Data, which points to the minimum information needed on young workers.

Such records should be only destroyed in accordance with the national regulations for handling confidential information. See also Ethical Behaviour Performance Area.

Coherency check: Furthermore, the auditor shall evaluate that the overview of all engaged young workers, is both complete and coherent with the BSCI values and principles.

- Is the person responsible for human resources aware of the number of young workers engaged in the company?
- Does the auditee keep accurate records on young workers? Is the work cycle of young workers understandable from the records?
- Are there examples of young workers who have received promotions and/or who have faced disciplinary measures?
- Is young workers remuneration in line with the level of responsibility? Are there specific rules for remunerating apprentices?
- If the auditee claims to have a policy of not hiring young workers, what are the reasons behind it? Is the auditee aware of side effects for having such a policy?
- Are the personal data of young workers handled in a respectful manner?



Documents Related to this Performance Area

- Documentation of all trainings given to young workers
- Risk assessment and related action plan with specific measures to protect young workers and young female workers
- Young workers overview records
- Young workers' work cycle overview



2.10. PERFORMANCE AREA 10: NO PRECARIOUS EMPLOYMENT

Precarious work deeply damages societies at large. It leaves workers and communities in unstable and insecure situations, disrupting their life planning options.

More concretely, precarious workers are found to suffer a higher rate of occupational health and safety issues. Such impacts fortify gender divisions and worsen the situation of migrant workers.

The general conditions of fear and insecurity also dissuade workers from exercising their rights, leaving them even more vulnerable to precarious work arrangements.

Is there satisfactory evidence that auditee employment relationships are not precarious for the workers?

Precariousness can affect both permanent and temporary workers.

Temporary workers: The definition of permanent and temporary jobs (e.g. seasonal) is usually given by law. If this is not the case, jobs that have a pre-determined end date or will end as soon as a project is completed are considered as temporary.

Effectiveness: To verify the effectiveness of the way that the auditee ensures no precarious employment, the auditor must at least evaluate that:

- The employment relationship does not cause insecurity to the worker. These are examples that cause insecurity:
 - Deprive workers from social security
 - Use of seasonal contracts at the expense of providing permanent positions
 - Recruitment and dismissal practices to avoid consolidation of workers' rights
- The auditee monitors that work cycles are respectful to the workers at every step. These steps are:
 - Recruitment process
 - Remuneration
 - Hours of work
 - Disciplinary measures
 - Promotion
 - Trainings
 - Termination of employment
- The auditee does not use temporary job arrangements to cover workloads that lack pre-determined end dates



Is there satisfactory evidence that the auditee engages workers based on recognised and documented employment relationships?

Effectiveness: To verify the effectiveness of the way that the auditee engages workers, the auditor must at least evaluate that:

- The work relation is established in compliance with the framework that provides the greatest protection to workers:
 - National legislation
 - Custom or practice
 - International labour standards
- The work relation is supported by means of documentary proof that makes the workers aware of their rights and obligations. Contracts are one among other possibilities (e.g. posters indicate the working rules).
- The auditee makes additional efforts to ensure workers understand their working conditions, particularly when workers:
 - Have difficulties to read and write
 - Are migrants/foreigners
 - Are hired for a short season or hired orally in line with customs
- The auditee pays particular attention when using recruitment agencies. This includes:
 - Having a good overview on when, how and how much these workers are paid
 - Keeping up-to-date records on these workers

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee engages workers is coherent with the BSCI values and principles.

- Is the person responsible for human resources aware of the framework that provides the greatest protection to workers? (E.g. local custom stipulates additional social benefits)
- Does the auditee keep accurate records on workers' work cycles?
- What kinds of additional efforts does the auditee make to ensure vulnerable workers understand the terms of their working conditions?
- Are vulnerable workers well-aware of their working conditions?
- Are workers representatives engaged to ensure additional sources of information?
- Are there any grievances lodged concerning potentially unrecognised working relations?



Is there satisfactory evidence that the auditee provides workers with understandable information before entering into employment?

Effectiveness: To verify the effectiveness of the way in which the auditee provides workers with understandable information before entering into employment, the auditor must at least evaluate that information is:

- **Understandable:** The auditee takes necessary measures to facilitate the understanding of information on working conditions . This may require:
 - Translation into the language of workers
 - Audio and visual guidance for disabled workers as well as workers who have difficulties in reading and writing
- **Relevant:** The information refers to workers’ rights, obligations, and employment conditions. It includes information on:
 - Working hours
 - Trainings
 - Resting periods and holidays
 - Remuneration and terms of payment
 - Grievance mechanism
- **Timely:** The auditee provides the information before initiating the employment relationship
- **Comprehensive:** The auditee provides the same necessary information to workers hired through recruitment agencies

Coherency check: Furthermore, the auditor shall evaluate if the way in which the auditee engages workers is coherent with BSCI values and principles.

- Is the person responsible for human resources aware of workers’ rights and obligations? Does that person explain them in an easy manner? Does the person speak other languages or dialects that can be preferred by workers?
- How are workers who are engaged by recruitment agencies informed about their rights and obligations?
- What kinds of additional efforts does the auditee make to ensure vulnerable workers understand their working conditions?
- Are vulnerable workers well-aware of their working conditions?
- Are workers representatives engaged to ensure additional sources of information?



CRUCIAL: Is there satisfactory evidence that the auditee does not use employment arrangements in a way that deliberately conflicts with the genuine purpose of the law?

Certain employment arrangements may represent an additional risk of undermining workers' rights. This is the case for:

- **Apprenticeship schemes:** When they are not used with intent to impart skills or provide regular employment
- **Seasonal or contingency work:** When they are used to cover permanent workflows that would require hiring workers on a permanent basis
- **Labour-only contracting:** When the agent or broker uses its position to undermine the workers' rights
- **Subcontracting:** When it is used to avoid reaching the minimum number of workers that allows the establishment of workers representatives or the right to unionise

Effectiveness: To verify the effectiveness of the way that the auditee uses employment arrangements, the auditor must at least evaluate that:

- The auditee understands that these employment arrangements may undermine workers' rights when used in a wrong way
- The auditee uses those employment arrangements in line with the genuine purpose of the law
- The auditee is able to explain the business logic behind its subcontracting practices and demonstrates that workers' rights are guaranteed

Coherency check: Furthermore, the auditor shall evaluate if the way that the auditee uses employment arrangements is coherent with the BSCI values and principles.

- Is the person responsible for human resources aware of the additional risks of these employment arrangements?
- How do workers engaged under these circumstances explain their rights and obligations?
- Are workers representatives engaged to ensure additional sources of information?



Documents Related to this Performance Area

- Employment contracts and/or posters where workers' rights and obligations are displayed
- Recruitment and dismissal procedures and records
- Overview of subcontractors
- Overview of apprenticeships granted in the company
- Overview of seasonal workers



2.11. PERFORMANCE AREA 11: NO BONDED LABOUR

Bonded or forced labour is unacceptable regardless of the circumstances. The utmost must be done so that no form of bonded labour takes place anywhere in the supply chain, on company premises or within its sphere of influence.

CRUCIAL: Is there satisfactory evidence that the auditee does not engage in any form of servitude, forced, bonded, indentured, trafficked or non-voluntary labour?

Effectiveness: To verify the effectiveness of the ways in which the auditee ensures not to engage in bonded labour, the auditor must at least evaluate that:

- The auditee exercises due diligence to avoid engaging in any form of bonded labour
- Managers, particularly supervisors and those in human resources, are aware of the procedures
- The auditee takes necessary measures to understand what can be considered as bonded labour and which hiring or engagement practices may introduce that risk
- Workers shall have valid work permits
- Workers' engagement practices do not include any potential or actual risk of being qualified as forced labour. For example:
 - Lack of workers' consent to work
 - Intentional cruelty
 - Coercion (e.g. debt bondage, restriction of movement, violence, threats or intimidation)
- The auditee does not request workers to leave personal documents in deposit
- The auditee does not apply unlawful retention of wages or benefits
- Workers do not work through any form of servitude (e.g. negotiation of visa, housing, work in exchange for training and education)
- Workers are granted the right to leave work and freely terminate their employment, provided that reasonable notice is given to the employer
- Workers are allowed to leave the premises after working hours
- If the auditee uses security guards (armed or unarmed), it ensures that they do not keep the workforce under retention
- Workers are permitted to leave the production site and/or housing in their free time, without having to ask for permission
- Workers are allowed to choose accommodation outside of the housing offered by the employer, if applicable

Specific guidance on prison labour:

Prison labour: The most familiar and accurate notion of prison labour is that which provides a form of occupation for convicts. Such labour is not per se a human rights violation, if it fulfils certain conditions, such as:

- Prisoners offer their labour voluntarily, without being subjected to pressure or the threat of any punishment
- The work is performed under conditions close to a free labour relationship (wage level, social security, OHS) to the extent that prisoners' conditions allow it



This means that if the auditee is using prisoners to work (both directly and indirectly), the auditor shall verify that work is conducted in the framework of national law and the ILO Conventions 29 and 105.

In any case, BSCI recommends that BSCI Participants do not engage with business partners that use prison labour in China since prisoners there are often forced to work in conditions that contravene international labour or human rights standards because:

- The prison labourer's rights are not covered under Chinese labour contract law and labour law but under the prison's law and criminal law. Full labour rights, including overtime rates, are not properly protected
- The laws of the local prison and criminal law that govern prison labour include explicit terms which indicate that legal minimum wages do not apply in prison labour but are instead subject to the discretion/decision of the individual prison's management
- Due to the prison's rules and regulations, it is impossible for auditors to carry out a full BSCI Audit in any of the prison's work sites

BSCI Participants should not use prison labour in China and, if found during a BSCI Audit, auditors must report it as a finding.

This recommendation might change in the future if Chinese laws evolve to offer the same kinds of protection to prison labourers as other workers especially with regard to decent working conditions.

Specific guidance on Sumangali:

The term 'Sumangali' refers to certain worker recruitment and retention practices in the spinning sector and in the textile and garment industries in India, in which typically young unmarried women are recruited from rural villages to work in spinning mills for a number of years. The defining characteristic of Sumangali is the employers' retention of a substantial part of the worker's wage, which is promised in a lump-sum at the completion of the worker's contract period. Sumangali commonly entails strictly monitoring and controlling the movement of the young women outside working hours to ensure that they sleep in designated hostels provided by the employer.

The provision of a lump-sum payment before marriage and a controlled and supervised living environment for the young workers resonates well with many marginalised rural families from lower castes who often lack economic alternatives. However, the isolation of these young workers in addition to the economic hardship of their families renders them highly vulnerable, which increases the risk that many of their rights in the workplace might be violated. For example, research shows that the lump-sum payment due at the end of the worker's contract is often illegally deducted from her/his due wage. This deduction deprives the workers of their right to decent remuneration. It commonly results in bonded labour situations.

BSCI does not endorse the practice of Sumangali under any guise, and instructs auditors to follow the relevant auditing guidance on Sumangali issued by Social Accountability International in April, 2011. Auditors are also asked to carefully check the sub-suppliers that a factory utilises and to verify that a functioning management system is in place.



Coherency check: Furthermore, the auditor shall evaluate that the way the auditee ensures not to engage in bonded labour is coherent with the BSCI values and principles.

- Is the person responsible for human resources aware of the additional risk of bonded labour when the auditee uses brokers?
- Does the auditee understand the risks of bonded labour? Does the auditee pay additional attention to avoid the risks?
- Are workers' representatives engaged to ensure additional sources of information?
- Are there any grievances lodged concerning potential bonded labour?

Is there satisfactory evidence that the auditee acts rigorously and diligently when engaging and recruiting migrant workers both directly and indirectly?

Effectiveness: To verify the effectiveness of the ways in which the auditee acts diligently when recruiting migrant workers, the auditor must at least evaluate that:

- The auditee understands that migrant workers are more vulnerable than other workers towards ending up in forced labour situations
- The auditee pays particular attention to indirect engagement (e.g. via recruitment agencies)
- The auditee devotes attention to the following aspects:
 - Absence of state protection (both country of origin and host country)
 - Debt bondage (e.g. the worker had to pay a high recruitment fee to the agency and she/he lacks transparency on the terms of employment such as deductions and remuneration)
 - Restriction of movement (visa or travel documents are held by the agency or employer. Workers who do not understand the host country language may face more restricted movement)
 - In agriculture, any cultivation organised on a communal basis, by virtue of law or custom, is not regarded as compulsory cultivation as defined in the ILO Convention 29 (art. 19.2)

Coherency check: Furthermore, the auditor shall evaluate if the way in which the auditee recruits migrant workers is coherent with the BSCI values and principles.

- Is the person responsible for human resources aware of the additional risks of bonded labour when engaging migrant workers?
- Does the auditee take additional preventive measures?
- Are workers representatives engaged to ensure additional sources of information?
- Are there any grievances lodged concerning the potential violation of migrant workers' rights?



CRUCIAL: Is there satisfactory evidence that the auditee does not subject workers to inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse?

Effectiveness: To verify the effectiveness of how the auditee ensures workers do not receive degrading treatment, the auditor must at least evaluate that:

- The auditee understands what can be considered as degrading treatment
- Workers are not subject to degrading treatment
- The auditee does not tolerate corporal punishment or mental coercion as part of the auditee’s disciplinary measures
- Supervisors are instructed to never punish workers corporally or mentally and there are consequences if they do so
- The auditee pays particular attention to avoid degrading the most vulnerable workers such as migrants, seasonal workers, young workers or pregnant women
- If collective housing is provided, dormitories ensure working conditions that respect workers’ dignity. For example:
 - Separate bed for each worker
 - Separate locker for each worker to store personal belongings
 - Separate accommodation for women and men

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee ensures workers do not receive degrading treatment is coherent with the BSCI values and principles.

- Is management, particularly supervisors, aware that punishment or degrading treatment toward workers is not allowed? Do they understand the consequences of contravening this?
- Does the auditee take additional preventive measures to avoid punishing or degrading workers?
- Are workers representatives engaged to ensure additional sources of information?
- Are there any grievances lodged concerning potential punishment of or degrading treatment toward workers?



Is there satisfactory evidence that the auditee has established all applicable disciplinary procedures in writing and has explained them verbally to workers in clear and understandable terms?

Effectiveness: To verify the effectiveness of the way in which the auditee establishes disciplinary measures to workers, the auditor must at least evaluate that:

- Disciplinary procedures are means through which the employer deals with workers, when there are concerns about work, conduct or absence
- Disciplinary procedures are outlined in writing and workers can easily access them. They describe:
 - What performance and behaviour might lead to disciplinary action
 - What kinds of actions the employer might take
 - The steps involved to make decisions on measures to be taken
- Disciplinary procedures shall include the name of a person who shall help the worker express her/his viewpoint or disagreement with any disciplinary measure (usually from HR or the workers representative)
- Disciplinary measures shall not facilitate a way for the auditee to unfairly take money from workers. Particular attention shall be given to the imposition of financial fees or deductions, which may be illegal (see also illegal deductions under Fair Remuneration Performance Area)

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee establishes disciplinary measures is coherent with the BSCI values and principles.

- Are the disciplinary procedures coherent and in line with the law?
- Is there documentary evidence on how they are implemented?
- Are workers aware of the disciplinary measures and do they understand the content and consequences?
- Are the workers representatives consulted and involved?



Documents related to this Performance Area

- Documentary evidence of trainings given to workers, management and human resources (e.g. list of attendees with signatures)
- Documentary evidence on disciplinary procedures
- Employment contracts including those related to security personnel, cleaning and other services
- Documentary evidence on disciplinary cases and measures taken



2.12. PERFORMANCE AREA 12: PROTECTION OF THE ENVIRONMENT

IMPORTANT: If the main auditee holds a valid GlobalGAP Certificate, the auditor shall not monitor this Performance Area.

Similar to the necessary measures needed to respect workers' rights and enhance their capabilities, environmental policies and procedures reflect the responsibility to observe the law and make positive contributions to long-term development.

Is there satisfactory evidence that the auditee continuously identifies the significant impacts and environmental implications associated to its activity?

Business enterprises should assess the impacts of their operations to prevent or minimise harming the surrounding communities, resources and workers in the supply chain and sphere of influence.

Effectiveness: To verify the effectiveness of the way in which the auditee assesses its adverse environmental impacts, the auditor must at least evaluate that:

- All processes taking place in the factory boundaries are taken into consideration when the auditee determines the impacts and environmental implications of its activities
- New processes or newly installed equipment are immediately integrated into the impact assessment
- There is a clear understanding of how surrounding communities, resources and workers are affected
- There is a pre-defined interval for carrying out such assessments with appropriate staff assigned responsibilities

Coherency check: Furthermore, the auditor shall evaluate that the way the auditee assesses its environmental impact is coherent with the BSCI values and principles.

- Is there a grievance mechanism in place to address the environmental concerns of surrounding communities?
- Is the person in charge of conducting the impact assessment qualified?
- Is there a procedure to ensure impact assessments are regularly conducted?



Is there satisfactory evidence that the auditee has procedures in place to ensure integration of local environmental law into the business model?

Effectiveness: To verify the effectiveness of the procedures, the auditor must at least evaluate that the auditee has:

- Policies and procedures to incorporate relevant environmental laws
- Made these policies and procedures a visible part of the business culture
- Mechanisms to ensure:
 - Ongoing identification of environmental legislation
 - Definition of the specific requirements that are applicable to its daily activities
 - Identification of sources of information on environmental legislation such as:
 - specialised sites online
 - publications issued by industry experts
 - tailor-made services provided by specialised companies

Coherency check: Furthermore, the auditor shall evaluate that the way in which the auditee has developed procedures to integrate environmental law is coherent with BSCI values and principles.

- Is there a grievance mechanism in place to address the environmental concerns of surrounding communities?
- Is the person in charge of drafting the procedure qualified?
- Is the procedure revised regularly?

Is there satisfactory evidence of the auditee's required environmental permits and licences?

Effectiveness: To verify the effectiveness of available permits and licenses, the auditor must at least evaluate that:

- The necessary environmental permits and licences, required by law to carry out the specific business activities, are made available and are also valid
- In case the permits and licences are not available:
 - The auditee has undertaken all actions to solicit the relevant licence(s) and/or permit(s) from the competent authorities
 - Additional consideration must be given to any delays that result from the bureaucratic processes of those authorities. If this is the case, documentation to confirm the bureaucratic delay should be made available.

Coherency check: Furthermore, the auditor shall evaluate that the auditee's available permits and licenses and/or its efforts to obtain them is coherent with the BSCI values and principles.

- Does the auditee understand the importance of having these permits/licenses?
- Are the documents relevant for the business activities?
- Do these permits need to be updated on a regular basis? How often? Have they been correctly and recently validated?



Is there satisfactory evidence that waste is managed in a way that does not lead to the pollution of the environment?

There are local areas where waste segregation and/or disposal are not managed by public authorities. This may lead to dumping waste into the environment. Even in the absence of national regulations, the auditee shall not dump waste into natural environments or burn it in open fires.

Effectiveness: To verify the effectiveness of the way in which the auditee manages its waste, the auditor must at least evaluate:

- How the auditee manages the waste, including packaging material
- The auditee devotes particular attention to industrially contaminated water and hazardous waste
- The auditee has procedures in place to:
 - Identify and separate the type of waste generated (hazardous versus non-hazardous, including packaging)
 - Define any specific handling requirements (e.g. disposal via an authorised agent or designated to a specialised site)
 - Create awareness among workers about the waste generated onsite and the proper way to handle it
 - Avoid dumping waste into natural environments
 - Avoid burning waste in open fires
 - Dispose of plastics and empty chemical containers without incurring environmental risks or harming humans

Coherency check: Furthermore, the auditor shall evaluate that the auditee's waste management is coherent with the BSCI values and principles.

- Does the auditee understand the importance of proper waste management?
- Are the waste management practices relevant for the business activities?
- Are workers aware of the company policy and procedures for waste management?
- Are there any grievances lodged about potential irregular waste management?



Is there satisfactory evidence that water is managed in a way that respects the environment, particularly but not limited to preserving local water sources?

Effectiveness: To verify the effectiveness of the way in which the auditee manages water, the auditor must at least evaluate that:

The auditee has mechanisms in place to promote water conservation and water waste reduction. This refers to water used for industrial purposes and personal consumption.

Possible mechanisms include:

- Licensed water use (when requested by the applicable law/authorities)
- Proper identification of water springs, rivers, lakes and other water ecosystems in the area
- Documented risk assessments that justify management decisions on water use (e.g. irrigation in farms)
- Awareness raising on water waste reduction

Coherency check: Furthermore, the auditor shall evaluate that the auditee's water management is coherent with the BSCI values and principles.

- Does the auditee understand the importance of proper water management?
- Are both management and workers aware of the local water sources and how they relate to the facility in terms of use, supervision and preservation
- Are the water management practices in the company relevant for the business activities?
- Are workers aware of the company policy and procedures for waste management?
- Are there any grievances lodged about potential irregular waste management?



Documents Related to this Performance Area

- Environmental risk assessment
- Map identification of water springs, rivers and lakes in the area of auditee activities
- Calculation of the necessary financial and personnel resources to comply with the minimum social and environmental requirements
- Valid certificates and environmental licenses



2.13. PERFORMANCE AREA 13: ETHICAL BEHAVIOUR

Taking the appropriate measures, especially setting social policies and being transparent, is fundamental in upholding the BSCI commitments to be a socially responsible business.

Appropriate measures ensure and demonstrate no corruption, extortion, embezzlement, bribery, falsified information or misrepresentation in the supply chain. On the positive side, honesty and integrity should be congratulated (e.g. among workers).

Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or any form of bribery in its activities as a business enterprise?

Effectiveness: To verify the effectiveness of the way in which the auditee opposes any act of corruption, the auditor must at least evaluate:

- The auditee identifies the situations and activities where acts of corruption, extortion or bribery are most likely to occur in its context
- The auditee develops policies and procedures against any act of corruption and takes active measures to prevent and remediate them

Particular attention needs to be given to the relations between auditor and auditee as well as between supervisors, recruitment agencies and subcontractors.

Coherency check: Furthermore, the auditor shall evaluate that the auditee's ethical and active policies and procedures are coherent with the BSCI values and principles.

- Does the auditee have a policy (e.g. BSCI Code) in place that publicly condemns corruption, extortion and bribery as unacceptable unethical behaviours perpetrated in its business and sphere of influence?
- Which mechanisms does the auditee use to inform and train workers on the problem of corruption?
- Has the auditee identified where and how the major risks of corruption could occur?
- Does the auditee have procedures in place to investigate and discourage any misbehaviour among the workers, particularly those with decision-making power?
- Does the auditee “reward” ethical behaviour and integrity among its workers and managers?
- Does the auditee include ethics and integrity in training given to workers and managers?
- Is the auditee aware of the perverse effects of corruption on its business and society in general?



CRUCIAL: Is there satisfactory evidence that the auditee takes the necessary measures to not be involved in falsifying information related to its activities, structure and performance; nor in any act of misrepresentation of its supply chain?

The ethical behaviour of companies starts with how they run their businesses and operations.

Fraud and misrepresentation in the supply chain adversely impact supply chain integrity. They can also lead to substandard or defective products.

Falsification, fraud and misinterpretation are purposeful actions intended to cause harm or loss to another party, for one's own direct or indirect gain.

Effectiveness: To verify the effectiveness of auditee measures, the auditor must at least evaluate that the auditee:

- Understands the severity of these unethical behaviours
- Has a serious commitment and set of procedures to avoid any such behaviour
- Ensures proper investigation and disciplinary measures if any staff behave unethically

The auditor may request data related to productivity, in order to establish the production capacity of the site, the need for overtime or the links to other facilities.

Examples of misrepresentation in the supply chain include claims to be a trader or only a warehouse, to avoid audits of the production site(s).

The auditor shall trigger an alert if any flagrant falsification, fraud or misrepresentation is identified. [For more information, see BSCI System Manual Part V - Annex 5: BSCI Zero Tolerance Protocol.](#)

Coherency check: Furthermore, the auditor shall evaluate if the measures to avoid falsification or fraud are coherent with the BSCI values and principles.

- Does the auditee understand the importance of avoiding falsification, fraud or misrepresentation?
- How are the unethical behaviours identified? How are they investigated? What do workers think about the disciplinary measures taken by the auditee (if any)?



Is there satisfactory evidence that the auditee collects, uses and otherwise processes personal information with reasonable care and in accordance with privacy and information security laws and regulatory requirements?

Effectiveness: To verify the effectiveness of how the auditee handles personal information, the auditor must at least evaluate that the auditee:

- Collects and processes personal data of individuals with the outmost respect for the individuals' fundamental rights (particularly the right to privacy)
- Applies reasonable care to the personal information of directly hired workers, business partners, customers and consumers in the auditee's sphere of influence
- Pays special attention to the way in which it collects data in order to protect the vital interest of the worker (e.g. medical records)
- Collects and processes personal information in line with the applicable information security laws

Coherency check: Furthermore, the auditor shall evaluate if the way the auditee handles personal information is coherent with the BSCI values and principles.

- Does the auditee understand the importance of handling personal information respectfully?
- Is the information on workers treated adequately, particularly if they are vulnerable workers?
- Are the records, particularly those with private information, properly filed with the necessary guarantees?
- Are there any consequences for supervisors who fail to treat personal information with respect?



Documents Related to this Performance Area

- Anti-corruption policy
- Corruption risk assessment
- Procedure for investigation and discouragement of unethical behaviour
- Communications and trainings to promote and reward integrity



3. HOW TO DRAFT THE FINDINGS REPORT

Drafting the Findings Report: The auditor must use the Findings Report to report both good practices and areas of improvement. The findings must be consolidated per Performance Area, which requires the auditor's professional judgment based on all the evidence gathered during the BSCI Audit.

The professional judgment includes suggested deadlines to implement the necessary remediation/changes.

Specific for farms: The Findings Report includes a section in each Performance Area to be used in case sampled farms are part of the audit. The auditor shall not simply list the identified findings for each sampled farm. He/she shall synthesise the information to provide an overall qualified opinion concerning the main auditee's practices *vis-à-vis* its business partners.

Closing meeting and Findings Report: The closing meeting represents the end of the BSCI Audit. The auditor must use this opportunity to:

- Describe to the auditee the good practices and areas of improvements that he/she identified during the audit
- Clarify to the auditee any potential doubt concerning the BSCI Audit and the next steps

The findings and rating presented at the closing meeting are preliminary. In most cases, they will remain the same in the final version of the Findings Report. However, there may be changes if:

- The auditor/quality assurance personnel realise(s) an error was made in the rating onsite
- The auditor incorporates new evidence (e.g. documents not checked onsite) before submitting and uploading the Audit Report onto the BSCI Platform. If the auditee provides new documentary evidence after the Audit Report has been submitted, the auditor must conduct a desktop review which shall be reported as a follow-up audit (off-site)

Signature in the Findings Report: Once the explanations and any clarifications have been made, the Findings Report is printed and signed by:

- The auditor
- The auditee's legal representative
- The workers representative (when applicable)





BSCI - Business Social Compliance Initiative

c/o FTA - Foreign Trade Association
Av. De Cortenbergh, 172
1000 Brussels
Belgium

Tel: 0032-2-762 05 51
Fax: +32-2-762 75 06