amfori BSCI System Manual

Part 2: The amfori BSCI Monitoring Approach

amfori 🔴 BSCI

Trade with purpose

Introduction

The amfori BSCI System Manual has been updated in 2022. The audience of this document involves mainly amfori members, their business partners, amfori monitoring partners and monitoring persons. This updated version of the amfori BSCI System Manual consists of four main parts and Guide documents which provide the audience and system users with detailed information.

Each part provides information about business rules and processes of the amfori BSCI System.

Part 1 / explains amfori BSCI due diligence approach and implementation steps in practice together with practical tools and services that amfori brings for its members and their business partners.

Part 2 / targets amfori members, their business partners, monitoring partners and monitoring persons. It provides both an overview of the amfori BSCI's holistic monitoring approach and an explanation of the entire amfori BSCI monitoring process, from requesting and scheduling a monitoring to performing one and following up.

Part 3 / provides amfori members and auditors support in the interpretation of the questions of the amfori BSCI audit questionnaire.

Part 4 / consists of four chapters that provide the business partner with explanation of all relevant documents and guides that amfori BSCI makes available for them and specific guidelines on what is expected in every performance area.

18 guide documents / are developed to accommodate and support amfori members and their business partners in the implementation of amfori BSCI Monitoring Activities: Self-Assessment, amfori Social audits, and Continuous Improvement.

Foreword

This updated version of the amfori BSCI System Manual was published in December 2022. It coexists with relevant documents issued by amfori to date.

The below documents continue to apply as they remain valid:

amfori BSCI Documents

amfori BSCI Code of Conduct (v.2021)

amfori BSCI Monitoring Report Framework (available on the amfori Sustainability Platform)

Coordinated by-laws of amfori a.i.s.b.l.

Easy Guide: The UK Modern Slavery Act

Position paper: New Child Labour Law in India

Guidance Package: Syrian Nationals Working in Turkish Supply Chains

Refugees in Supply Chains: A guide to Risk Identification and Management

Social Dialogue Handbook on Gender

Responsible Purchasing Practices in Times of COVID-19

Guidance for amfori Members' Monitoring of Potential Exploitation Associated with State Imposed Forced Labour

Doing Business Responsibly in Conflict-Affected and High-Risk Areas – a Guidance for amfori Members

amfori's Living Wage Journey: Taking Stock and Setting the Way Forward

amfori BSCI audit interpretation guidelines for Large farms,

amfori BSCI audit interpretation guidelines for Small and Small-holder farms

MEMOS for Monitoring Persons and Auditors, please check amfori Website.

MEMO (ACs 2016/03 - 1): Auditing Arrangements under BSCI 2.0

MEMO (ACs 2016/11 - 2): Child Labour Amendment Act in India

MEMO (ACs 2017/03 - 1): Evaluating Double Book Keeping- Turkey

MEMO (ACs 2018/05 - 1): Social Insurance and Welfare in PRC

MEMO (ACs 2018/06 - 2): Minimum Content for amfori BSCI Audit Report

MEMO (MPs 2019/10 - 1): Fire Safety in India

MEMO (ACs 2021/05 - 1): Fair Recruitment

MEMO (ACs 2021/07 - 1): Supply Chain Grievance Mechanism

MEMO (ACs 2021/09 - 2): Audit Errors

MEMO (ACs 2021/10 - 3): Building & Fire Safety in PRC

MEMO (ACs 2022/01 - 1):Combined Audits Procedure

MEMO (ACs 2023/01 - 1): Audit Durations

MEMO (ACs 2023/01 - 2): Recruitment Fee

MEMO (ACs 2023/01 - 3): Türkiye Building Safety & Earthquake Readiness

MEMO (ACs 2023/02 - 1): Working Hours

MEMO (ACs 2023/02 - 2): Living Wage

Contents

1. The amfori BSCI Monitoring Approach

This part of the amfori BSCI System Manual targets amfori members, their business partners, monitoring partners and monitoring persons. It provides both an overview of amfori BSCI's holistic monitoring approach and an explanation of the entire amfori BSCI monitoring process, from requesting and scheduling a monitoring to performing one and following up.

This part will help to better understand:

- Why the amfori BSCI monitoring approach is unique
- The different monitoring types
- How to prepare, conduct, and follow up on an amfori BSCI monitoring

Monitoring approach is described in the level of implementation of amfori BSCI monitoring and on amfori Sustainability Platform.

2. Responsibility in Business

Monitoring in the context of amfori BSCI must be understood as a systematic approach that enables amfori members to identify, assess and mitigate risks across their supply chains. It helps amfori members and their business partners to pro-actively identify risks and critical problems and it enables them to make decisions that will improve the quality and effectiveness of their approaches to responsible sourcing through using amfori tools, services and monitoring methodology.

The **United Nations Guiding Principles on Business and Human Rights** (UNGP) states that all business enterprises have a responsibility to prevent and mitigate adverse human right impacts:

- Caused by their own activities

- Linked to their operations by business relations

The UNGPs are expanded on by the OECD Guidelines, which provide frameworks for businesses to implement responsible sourcing management systems.

The amfori BSCI system supports its members to do this by offering members the ability to:

- Map their upstream supply chain

- Monitor the due diligence and risks of business partners in the supply chain

- Follow up on progress and continuous improvement

- Collaborate with other businesses in the amfori BSCI system to effectively remediate any problems identified

amfori Sustainability Tools

There are several amfori BSCI tools available to amfori members and business partners to effectively implement due diligence in their supply chains. These include:

amfori Sustainability Platform: https://platform.amfori.org/ui. To start mapping your supply chain, schedule monitoring activities for producers and manage supply chain operations

amfori Community Platform: A communication portal for amfori members to have discussions and share experiences

amfori Academy: https://amfori-Academy.amfori.org/. To sign up for training sessions and access all our learning materials for you and your producers

amfori Insights: to access all supply chain performance information through interactive data visualisation

amfori Website: www.amfori.org. To access the latest news about amfori BSCI, amfori BEPI and amfori Advocacy

amfori members can access all tools with one set of user credentials. This is called 'Single Sign-On'.

amfori Sustainability Platform

The amfori Sustainability Platform offers its users (amfori members, their business partners, monitoring partners and persons) a user-friendly, practical way to manage the sustainability performance and monitoring of their supply chains, including a comprehensive view of data analytics.

How to register in the amfori Sustainability Platform?

The main administrator for amfori BSCI can create a user account for employees and can decide which role/access you should have on the amfori Sustainability Platform, depending on their responsibilities.

Please see the Guidance Documents prepared for:

- amfori BSCI members
- business partners of amfori members
- amfori Monitoring Partners

The amfori Sustainability Platform internally defines different types of user accounts for amfori members, their business partners and amfori monitoring partners that correspond to division of tasks, rights and obligations and govern their interactions between and among them.

amfori members on the amfori Sustainability Platform

In order to use amfori services, amfori members must register and log in to the amfori Sustainability Platform. There, they can set up Platform relationships with business partners

What does RSP mean and how is it managed?

RSP stands for responsibility. The RSP holder can use their leverage to engage more closely with their business partners and drive improvement activities. Compared to other linked members, the RSP holder has stronger influence on the amfori Sustainability Platform for the monitoring processes. Although multiple members may source from the same business partner, only one member can be the RSP holder for that business partner. Members should take the RSP for those business partners where they intend to actively monitor and support. The RSP applies for the whole business partner company and all sites.

The RSP holder has the exclusive right to request a monitoring activity three months before the expiry date:

- A monitoring cycle ends two years after the submission of the full monitoring

- A full monitoring activity with a result of C, D, or E rating is reaching expiry: this is when the RSP holder is expected to have a follow-up monitoring activity conducted within 2-12 months after the submission of the full monitoring

- If the RSP does not act within two months before the cycle ends, the RSP will become claimable by other linked members. Until the RSP is claimed, the current RSP holder retains all rights and obligations

IMPORTANT: The RSP becomes claimable two months before the audit cycle expires.

Notifications are automatically sent by email from the Platform to relevant users, depending on their permission level. These settings are managed in the admin section of the Platform. Notifications are sent for all the main features, related to Monitoring, notice of RSP becoming claimable, and any Zero Tolerance cases that are raised. These notifications can be configured to only send certain notifications to specific users.

RSP timelines for a business partner with several sites

The RSP of a business partner covers all the sites mapped under it. When a business partner has multiple sites, and the sites have ongoing monitoring activities or valid results, the latest expiry date amongst the sites defines the RSP timeline.

Summary of RSP management:

- A business partner can have only one RSP holder

- Only the RSP holder can request a monitoring activity/audit

- The RSP holder is the primary contact in the case of a zero-tolerance alert

- When a monitoring activity is requested, the RSP cannot be released before the monitoring result has been submitted
- The RSP holder maintains the validity of the audit cycle for the business partner and coaches the business partner in the continuous improvement phases

For taking and releasing RSP for a business partner please see the following Guidance document.

Creating Synergies through the amfori Sustainability Platform

The amfori BSCI system aims to avoid audit fatigue and create synergies among different amfori members and their business partners. This goal is accomplished through many features of the amfori BSCI system, such as the amfori Sustainability Platform, which allows amfori BSCI members and its users to connect, communicate and share:

- Business partners (e.g., producers, factories or farms) in their supply chains
- Information concerning monitoring activities to those business partners
- Continuous improvement activities

About the Linked Member Status

amfori members can link themselves to business partners already existing in the amfori Sustainability Platform.

By linking to producers in the amfori Sustainability Platform, amfori BSCI members will remain informed about the progress and continuous improvement of these business partners and will be alerted of any important issue related to them (e.g., emergencies or zero tolerance cases). Linked members have the same rights and obligations than the RSP holder except of those related to the monitoring strategy.

	RIGHTS AND OBLIGATIONS	RSP Holder	Linked member
1	Provide business partners with the amfori BSCI Code of Conduct	✔	✔
2	Invite business partners to capacity-building activities	✔	✔
3	Interact with other members linked to the same business partner	✔	✔
4	React to zero tolerance alerts	✔	✔
5	Support business partners in the continuous improvement process	✔	✔
6	Engage with relevant stakeholders to support business partners	✔	✔
7	Authorise the timing of the amfori BSCI monitoring	✔	✘
8	Authorise the monitoring partner	✔	✘
9	Authorise amfori BSCI monitoring (both full and follow-up)	✔	✘
10	Accept an equivalent auditing system	✔	✘
11	Release RSP holder status in favour of another linked members	✔	✘
12	Be the first point of contact for zero tolerance and investigations	✔	✘

Table 3: Rights and obligations of RSP holders and linked members

3. Deciding on the Type of Monitoring

Deciding which type of monitoring to conduct is a critical decision. It enables amfori members to:

- Efficiently manage their resources
- Articulate different strategies for social risk management in the supply chain
- Reduce audit fatigue

amfori members can make use of both voluntary preparatory tools and amfori BSCI monitoring activities depending on the selected monitoring strategy. However, amfori BSCI social audits are the only third-party monitoring methodology whose quality is controlled through the amfori BSCI Audit Integrity Programme.

Voluntary Preparatory Tools for amfori Members and their Business Partners

If you, as an amfori member, have a potential business partner or a new business partner whom you would like to familiarise with amfori BSCI, you might use these tools as a first step to identify and assess potential and actual risks and decide on monitoring type.

They do not result in a rating and do not impact the amfori BSCI monitoring cycle. Voluntary tools include:

Self-Assessment questionnaire (SAQ): SAQs are for business partners to raise awareness of social risks and issues. amfori BSCI Self-Assessment mirrors the amfori BSCI audit questionnaire and it allows the potential auditee to fully understand the values and principles of the amfori BSCI Code of Conduct and how to embed them in regular business practice. There are also specific Self-Assessment questionnaires available for farms (see Assessment for large farms, assessment for small farms and assessment for smallholders and family farms) on the amfori Sustainability Platform

amfori BSCI Self-Assessments are available on amfori Sustainability Platform for Business Partners

A business partner can prepare for an amfori BSCI audit by conducting a Self-Assessment, and then use the results to make proactive improvements before the full monitoring takes place.

The Self-Assessment contains all the same questions as the full, regular, amfori BSCI monitoring. The results show percentages, rather than grades and overall rating, and also show findings. If a business partner completes a Self-Assessment, the linked members can view the results.

> **IMPORTANT:** amfori highly encourages members to invite their business partners to fill in and use Self Assessments via the amfori Sustainability Platform.

Other tools that amfori members can use to initiate a business relationship:

Pre-qualification assessment (PQA): For a potential business partner with whom you have no business relationship yet. Through PQA, amfori members may be able to identify imminent risks of new business partners prior to entering into a business relationship. Please see Guide 15: How to Pre-Assess Potential business partner

Buyers' checklist: To be used for commercial visits to a potential or existing business partner. These tools can be integrated into amfori members' human rights due diligence management systems, particular in relation to risk assessment and supplier engagement. Please see Guide 7: How to use the amfori BSCI checklist

Four Types of amfori BSCI Monitoring

amfori BSCI monitoring is a tool designed to help amfori members to identify, assess and mitigate the social risks and performance of their supply chains and encourage continuous improvement through amfori online and offline tools.

They provide a holistic approach that supports early detection, monitoring and remediation of any breaches of the amfori BSCI Code of Conduct that may occur in the supply chain and directly or indirectly affect amfori members and their business partners.

An amfori BSCI monitoring can only be requested by an RSP holder.

An amfori BSCI monitoring can only be conducted by approved monitoring partners and their approved monitoring persons by amfori.

Depending on the size of the business partner and the number of locations, there are four types of amfori BSCI monitoring activity that can be performed:

1. amfori Social Audit – Manufacturing

2. amfori Social Audit - Small Producer Assessment

3. amfori Social Audit - Multi-Tier Food

4. amfori Social Audit – Agriculture Large Farm Food

Manufacturing
(One location)

Small Producer Assessment
(One location)

Multi-tier Food
(Main auditee + farms)

Agriculture Large Farm Food
(Main auditee farms)
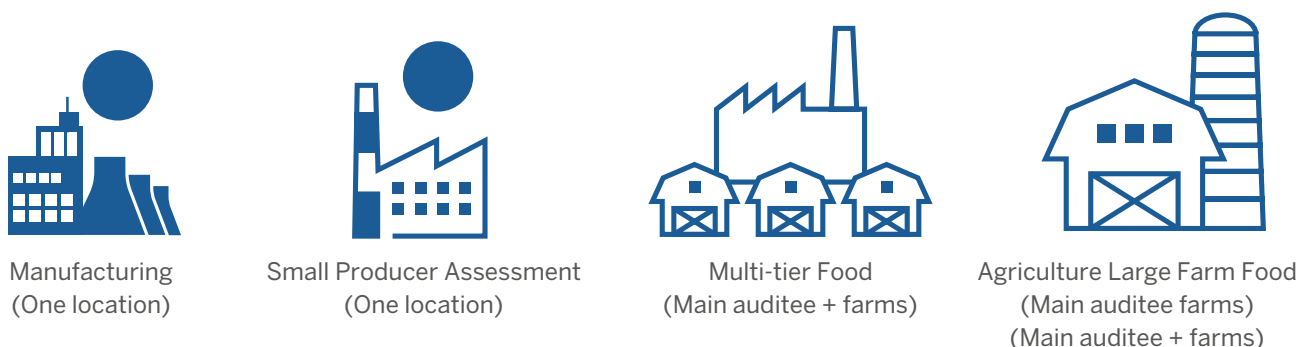(Main auditee + farms)

Figure 4: The four types of amfori BSCI monitoring activity

1. **amfori Social Audit-Manufacturing:** On-site manufacturing audits are appropriate for manufacturers and processors, including food cooperatives, with over 35 workers.

   Pros: It helps to capture the social risks and performance of a business partner

   Cons: It does not include social sustainability verification further upstream the supply-chain

2. **Small Producers Assessment (SPA):** On-site audits for small producers (workforce < 35): amfori members can request a Small Producers Assessment (SPA) to assess the social risks and performance of qualified small producers as defined per amfori BSCI definitions.

Independent business unit: The small producer must not be a branch or part of a group.

35 workers: Over the last 12 months prior to audit request, the small business partner has employed directly or indirectly a maximum of 35 workers, including permanent and temporary workers.

Annual turnover: Equal or below 2 million EUR.

Manufacturer: It is a food or non-food manufacturer or processor, but not a farm.

Pros: In a SPA, the auditor's perspective adjusts to the circumstances of a small business.

Cons: There is a risk of misrepresentation and potential increase of the informality of labour relations to qualify as small business partner.

> **IMPORTANT:** If you request a SPA, please make sure that the business partner fulfils all above-mentioned requirements.
>
> The RSP holder must further confirm to have received the **Self-Declaration** (not older than 2 months) by the business partner and **must forward it to the Monitoring partner before the audit via email.**
>
> You can find the contact information of the **Scheme Managers of the Monitoring Partners of amfori** with this link: https://www.amfori.org/content/enabling-partners#auditing
>
> Please check **Guide 12** of the amfori BSCI System Manual for further information and to receive the Self-Declaration Template.

3. **amfori Social Audit - Multi-Tier Food:** Multi-tier audits are appropriate for manufacturers and processors who have identified their upstream supply chain in the amfori Sustainability Platform. They assess the social sustainability of a significant business partner and a sample of its next-tier business partners, such as of next-tier producers, subcontractors, suppliers, or farms.

    Pros: A multi-tier food audit creates economies of scale by including farms and/or other next-tier producers as part of the same audit scope.

    Cons: The multi-tier food audit requires a good knowledge of the supply-chain and more complex internal monitoring processes necessary to support communication among all relevant parties.

Notes on Multi-tier Food Audits:
The audit requirements are adapted to the business of the main auditee or farms:

- This audit is designed for business partners in food and agriculture sectors which produce and trade fresh and processed products

- A multi-tier food audit should be planned with consideration of the seasonality of production activities at farm level such as the harvesting or the sowing seasons

- Business partners (BPs) are responsible for maintaining their own data on the amfori Sustainability Platform. Neither linked members, nor the RSP holder can change company information on behalf of the BP

- Tier 1 BPs are requested to map and classify their next tier business partners (farms)

- Next Tier farms are visible to members in the profile of the Tier 1 main auditee. They will be assigned an amfori ID which is linked to the ID of the Tier 1 business partner

See the Interpretation Guidelines for:

- amfori BSCI Farm audits: Large Farms
- amfori BSCI Small and Small-holders farms

4. **amfori Social Audit – Agriculture Large Farm Food:** On-site agricultural audits are appropriate for large farms and estates, with over 20 permanent workers.

    Pros: It helps to capture the social sustainability of a farm

    Cons: It does not include social sustainability verification further downstream the supply-chain

Deciding which Monitoring is Best

Deciding on the most appropriate monitoring approach requires the RSP holder to understand the risks and process in their supply chain and production structure of their business partners. An incomplete understanding of these may lead to an incomplete assessment and result in overlooking potential and actual risks or negative impacts. There are several external resources available to help inform RSP holders:

- Traders or importers who act as intermediaries (e.g., indirect sourcing model)
- Monitoring partners, which can be used to help gather preparatory information before the amfori BSCI monitoring is scheduled
- Buyers within the company

Factors that Impact the Duration of an Audit

amfori BSCI monitoring activities focus on the entire workforce, those directly and indirectly recruited and managed. Therefore, the duration and complexity of the amfori BSCI monitoring, and by extension the voluntary preparatory tools, depend on the number of workers, whether they are permanent or seasonal, and the diversity of recruitment models used. For example:

Direct recruitment: The business partner hires and manages all its workforce

Indirect recruitment: The business partner does not hire or manage its workforce, but relies completely on hiring through service providers such as recruitment agencies or agents

A combination of both models: The business partner hires and manages part of its workforce (e.g., permanent workers) but relies on service providers to recruit specific services (e.g., security, cleaning, or catering agencies) or to address specific contingencies (e.g., seasonal workers)

For multi-tier audits, the number of farms selected by the RSP holder to be included in the audit, as well the number of workers per farm, will impact the duration of the audit.

The number of farms can be agreed upon by the RSP holder and the main auditee as it has significant implications on the costs of the amfori BSCI multi-tier audit. amfori advises to select no more than ten farms (unless the circumstances justify an exception).

4. Distinctive Features of the amfori BSCI Monitoring System

These are several distinctive features of the amfori BSCI monitoring system:

1. **amfori Sustainability Platform:** Through the amfori Sustainability Platform, all amfori members linked to the same business partner have access to their business partners' data. This includes monitoring data which contains the professional judgment of monitoring persons, and related continuous improvement plans. This collective access to data among linked members avoids duplication of monitoring and enhances synergies in continuous improvement. Linked members also receive timely alerts from monitoring persons in case of flagrant human right violations. (See Guide 5: How to follow the Zero Tolerance protocol). Through the platform, members can also access analytics dashboards to gain insights and perform reporting on continuous improvement, monitoring and other aspects of their supply chain

2. **Holistic monitoring methodology:** All principles of the amfori BSCI Code of Conduct are interconnected and incorporated into the amfori BSCI monitoring approach. When conducting an amfori BSCI social audit, the monitoring person uses their professional judgment to complete a comprehensive assessment on how the 13 interconnected Performance Areas (PA) and the amfori BSCI Code of Conduct values are implemented by the auditee/business partner. This holistic monitoring approach includes:

   Effectiveness and coherency checks: Monitoring persons do not only assess if procedures and infrastructure are in place, but that both are relevant and adequate to protect workers' rights in a manner that does not contradict with the amfori BSCI Code of Conduct values

   Triangulation: Monitoring persons must cross verify multiple sources (e.g., worker interviews, documents and site observations) in their efforts to compile satisfactory evidence and reach their professional judgement

3. **Specific methodology for farm audits:** All principles of the amfori BSCI Code of Conduct are relevant in food supply chains, including agriculture and aquaculture. Taking into consideration the specificities of primary production, amfori provides dedicated farm audit guidelines for auditors which support them applying their professional judgement on auditee performance to the agricultural context

4. **Collaborative approach to continuous improvement:** amfori members linked to the same business partner can jointly support the business partner's continuous improvement through various activities such as internal policies, training, consultancy services, compensation or restoration, investment or other measures. Members can view and track the progress of the continuous improvement, including those of their linked business partners. Furthermore, they can pursue remedies, particularly for the most severe breaches identified in the supply chain. This is the case for zero tolerance and emergency episodes, where immediate and time-bound collaborative remediation is needed

5. **Strategic partnering:** amfori members may confront a systemic lack of workers' protection, which relates to insufficient or ineffective enforcement of the law. In these cases, amfori members may pursue strategic partnerships with local governments and like-minded organisations to explore long-term positive impact for an industry, a region, or even a country

6. **Audit integrity:** The amfori BSCI audit integrity programme consists of policies and procedures to protect and maintain the credibility of the amfori BSCI auditing process by regular verification of:

   • The endorsement and implementation of amfori BSCI values and principles in the audits

   • The independence and legitimacy of the monitoring partners

   • The integrity of the monitoring process and associated activities

   • The consistency of the application of the monitoring process

   • The ongoing performance and competence of individual monitoring persons

Areas Assessed in the amfori BSCI Monitoring

amfori BSCI monitoring are designed to assess a business partner against the values and principles of the amfori BSCI Code of Conduct, which are translated into thirteen Performance Areas (PAs):

- Social Management System and Cascade Effect

- Workers Involvement and Protection

- The Rights of Freedom of Association and Collective Bargaining

- No Discrimination, Violence or Harassment

- Fair Remuneration

- Decent Working Hours

- Occupational Health and Safety (OHS)

- No Child Labour

- Special Protection for Young Workers

- No Precarious Employment

- No Bonded, Forced Labour or Human Trafficking

- Protection of the Environment

- Ethical Business Behaviour

amfori BSCI full monitoring assess all thirteen areas. They take place every two years, which determines the amfori BSCI audit cycle. **amfori BSCI follow-up monitoring:** Once the business partner has provided sufficient information on improvement measures a follow-up audit or follow-up Small Producer Assessment (SPA) can be requested. Ideally, the **RSP holder of the business partner verifies** that Sustainability Impacts and measures were completed in the Continuous Improvement function on the amfori Sustainability Platform before requesting a follow-up monitoring.

In general, amfori highly recommends that the follow-up monitoring takes place approximately **two to three** months after the full monitoring to allow some time for the business partner to improve and complete measures on the Continuous Improvement function on the amfori Sustainability Platform.

In addition to the areas with findings, auditors are expected to conduct a minimum due diligence for the PA 5, 6 and 7, and note any non-compliances found at the time of follow-up audit.

IMPORTANT: The RSP can only request a follow-up monitoring if there is a full, valid monitoring active for that site. So, for example, if the main audit has expired, it is not possible to schedule a follow-up audit.

IMPORTANT: amfori encourages members to support their business partners in submitting and closing down Continuous Improvement actions on the Platform before requesting follow-up audits. Any audit findings can be linked to continuous improvement actions so that the member and business partner can easily visualise which findings need to be addressed. However, in some cases, the amfori BSCI member (RSP holder) may need to make exceptions and schedule a follow-up monitoring before the continuous improvement activities are completed.

For example:

Urgent follow-up: The RSP holder may request an urgent follow-up monitoring that focuses on only a specific finding or PA due to an urgent need, as in the following cases:

- Suspicions were raised by the monitoring person in the confidential comments captured in the monitoring report that raise an immediate need to follow-up

- There are substantial risks that need further verification

Immediate improvement and remediation are needed after a zero-tolerance alert

5. amfori BSCI Monitoring Rating System

The overall rating of an amfori BSCI monitoring reflects the extent to which the auditee has integrated the amfori BSCI Code of Conduct into its daily business culture and operations. It is not calculated by the monitoring person but generated automatically by the amfori BSCI IT system based on the combination of ratings across the 13 Performance Areas (PAs).

Therefore, monitoring persons do not know the monitoring rating. This means that, at the monitoring's closing meeting, the monitoring person focuses on the good practices and the findings but does not present a rating.

Please note that amfori BSCI rating system itself has not been changed but only the way to display it on the report was revised in 2022. This was done to provide additional transparency to amfori members and their business partners on issues identified during the monitoring process, and to subsequently focus attention where continuous improvement in the overall supply chain and business relations should occur.

Overall Rating	Description	Level of Maturity
A **Very Good**	From 86 % to 100 %	Very good level of maturity that allows the auditee to maintain its continuous improvement process without a professional follow-up monitoring.
B **Good**	From 71 % to 85 %	Good level of maturity that allows the auditee to maintain its continuous improvement process without a professional follow-up monitoring.
C **Acceptable**	From 51 % to 70 %	Acceptable level of maturity that requires auditee to develop a related continuous improvement plan with impacts and measures accordingly within 60 days of the monitoring date. A professional follow-up monitoring is envisaged to assess continuous improvement.
D **Insufficient**	From 30 % to 50 %	Insufficient level of maturity that requires auditee to develop a related continuous improvement plan with impacts and measures accordingly within 60 days of the monitoring date. A professional follow-up monitoring is envisaged to assess continuous improvement.
E **Unacceptable**	From 0 % to 29 %	Unacceptable level of maturity that requires auditee to develop a related continuous improvement plan with impacts and measures accordingly within 60 days of the monitoring date. A professional follow-up monitoring is envisaged to assess continuous improvement.

Table 4: amfori BSCI overall monitoring rating

Rating per Performance Area (PA): Each PA gets an individual rating ranging between 100 % to 0 % which is determined by the degree of fulfilment for each question under the PA. Some questions in the PA are labelled as "crucial questions", because their content should be of the highest priority of the business partners in terms of workers' protection and continuous improvement. Percentage rating per PA is visible on the audit results.

Percentage rating per Crucial and Non-Crucial: Several PAs have crucial questions which have an impact on the rating. Percentage rating of crucial and non-crucial questions can be seen in the monitoring result page on the Platform. The aim is to provide risk-focused assessment and support business partners to identify high-risk areas starting from crucial questions.

Overall rating: With the revision of the amfori BSCI System in 2022, overall rating is introduced both with letter and percentage based on the amfori BSCI unique calculation of each PA considering the likelihood and severity of risks. This unique calculation also recognises the content of the questions to ensure alignment with ILO Fundamental Conventions and Recommendations.

During the monitoring, the monitoring person answers each question based on their professional judgement with one of three responses:

YES: When the monitoring person finds the amount of evidence satisfactory

NO: When the monitoring person finds the amount of evidence unsatisfactory; or

PARTIALLY: When the monitoring person finds some satisfactory evidence, but not enough to clearly answer YES

The table below shows how monitoring questions impact the overall rating of a PA depending on the answers given and the significance and criticality of each element.

Crucial questions in the Child Labour, Bonded and Forced Labour, and Occupational Health and Safety Performance areas have the greatest impact on the rating. Furthermore, crucial questions answered NO or PARTIALLY have a higher impact on the calculation of the PA rating as compared to non-crucial questions.

Answer	Type of Question	Numerical Value
Yes	All question	100 %
Partially	Non-crucial	
	Crucial	
	Crucial in Performance Areas : • Child Labour • Bonded and Forced Labour • OHS	
No	Non-crucial	
	Crucial	
	Crucial in Performance Areas : • Child Labour • Bonded and Forced Labour • OHS	0 %

Figure 5: Impact of monitoring questions on PA percentage rating

6. The amfori BSCI Monitoring Cycle

The amfori BSCI monitoring cycle is a two-year period between full monitoring activities. The monitoring validity for a business partner who obtains the highest overall rating in a full amfori BSCI monitoring, such as an overall rating of A or B (between 86 % and 100 % or between 71 % and 85 %) across all performance areas, is two years or 24 months. In this case the business partner will have another full monitoring after two years and no follow-up monitoring. If the full monitoring of the business partner was rated C (between 51 % and 70 %), D (between 30 % and 50 %) or E (between 0 % and 29 %) then the audit validity is 12 months after the full monitoring, and a follow-up can be conducted between two and 12 months later. The conduct of the follow-up monitoring will extend the audit validity until the end of the audit cycle.

The validity of a multi-tier monitoring cycle is based on the rating of the main auditee.

For How Long is a Monitoring Valid?

The period monitoring results are valid varies according to the business partners' ratings on both the full and follow-up monitoring activities.

Full monitoring: The amfori BSCI monitoring cycle is a two-year period between **full monitoring activities**. The monitoring validity for a business partner who obtains the highest overall rating in a full amfori BSCI monitoring, such as an overall rating of **A or B** (between 86 % and 100 % or between 71 % and 85 %) across all performance areas, is **two years** or 24 months. In this case the business partner will have another full monitoring after two years and no follow-up monitoring. If the full monitoring of the business partner was rated **C** (between 51 % and 70 %), **D** (between 30 % and 50 %) or **E** (between 0 % and 29 %) then the audit validity is **12 months after the full monitoring**, and a follow-up can be conducted between two and 12 months later.

Follow-up monitoring: If a business partner's full monitoring has an overall rating of C, D or E, the monitoring report provides the business partner information on how they should improve to align with the amfori BSCI Code of Conduct. In such situations, the follow-up monitoring should never happen before a reasonable period that could allow the business partner to develop evidence of progress made. This provision is particularly important for findings concerning remuneration and working hours, where at least **two to three months** are needed to generate new records to prove that new practices are in place. Not respecting this guideline can result in an audit that identifies the same issues as the initial audit.

One of the aims of amfori BSCI is to avoid audit fatigue of the business partner. Therefore, we have set clear guidance on the validity of the monitoring cycle for all our members, where a **full monitoring can only be requested once within the two-year monitoring cycle**. If the result of the last audit is C, D or E, the opportunity of a follow-up monitoring is provided to re-assess the business partner. amfori does not support the application of full audits every year.

> **IMPORTANT:** amfori also highly recommends that the RSP holder and any linked members should encourage their business partners to use the continuous improvement functionality on the amfori Sustainability Platform. This allows business partners to demonstrate their improvement activities and enables amfori members to closely monitor any risk mitigation actions. This functionality can also be used for business partners to show proactive improvement activities beyond those identified by audit findings.

Additional Timelines to Consider:

A business partner must be in business for at least three months: Business partners must have a minimum period of existence to generate relevant records (e.g., business license, payroll, and social security) so an amfori BSCI monitoring can deliver a reliable judgement. Therefore, an amfori BSCI monitoring should not be conducted for business partners who have not been in business at least three months.

Six-month preparation for multi-tier monitoring: It is recommended that amfori BSCI members allow a six-month preparation period for multi-tier monitoring that involve auditing a business partner with multiple next-tier producers (e.g., farms). This extra preparation time allows the business partner that acts as main auditee to develop necessary internal procedures and conduct internal monitoring of its next tier business partners before the amfori BSCI monitoring takes place.

At least two months before a follow-up monitoring: If a business partner's monitoring has an overall rating of 'C', 'D', or 'E', the monitoring provides the business partner with information on how it needs to be improved to act in line with the amfori BSCI Code of Conduct. In such situations, the follow-up monitoring should never happen before a reasonable period that could allow the business partner to develop new evidence of progress made. This provision is particularly important for findings concerning remuneration and working hours, where at least two months are needed to generate new records to prove that new practices are in place. Not respecting this guideline can result in a follow-up audit identifying the same issues as the initial audit.
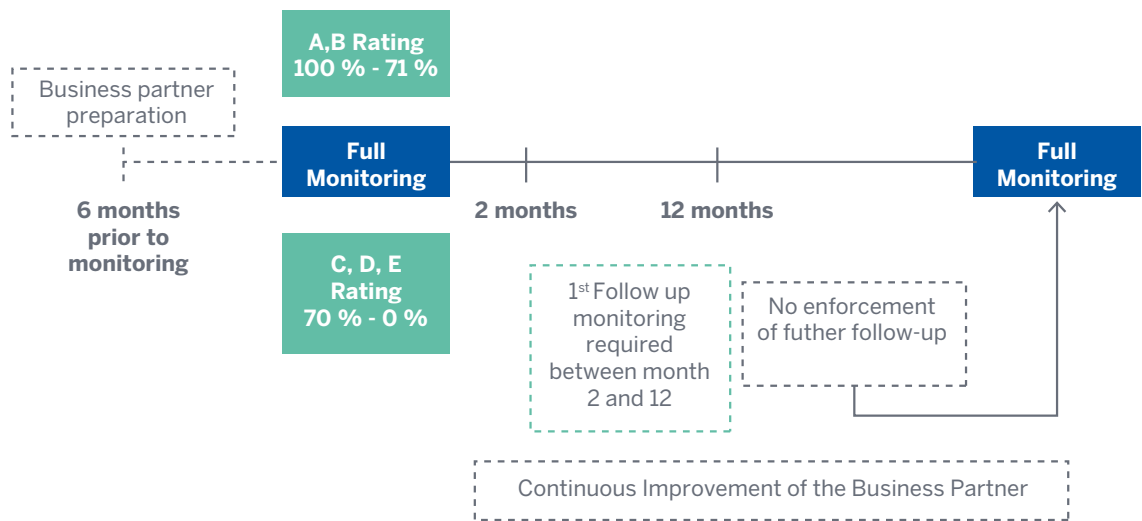

Figure 6: Monitoring cycle and validity

IMPORTANT: The RSP holder will be required to conduct 1 follow-up audit throughout the cycle for the business partners with monitoring results below 71%. There will not be a requirement for further follow-up; the RSP holder is expected to manage the cycle depending on the risk.

IMPORTANT: Business partners with an overall rating "A" (Very Good) and "B" (Good) are expected to have the level of maturity that allows them to independently design and maintain their continuous improvement process without the need for an amfori follow-up monitoring. Continuous improvement function on the amfori Sustainability Platform is available for all rating results with findings.

7. Scope of the amfori BSCI Monitoring

The scope of an amfori BSCI monitoring is defined at the time of the monitoring request and must be validated by the time the monitoring is scheduled.

This process takes place in the amfori Sustainability Platform, and it is triggered by the RSP holder, who will select between one of two options:

Main auditee: For on-site monitoring activity (either Manufacturing or Agriculture), the monitoring scope usually corresponds to one legal entity at one location

Main auditee plus next-tier business partners: For multi-tier monitoring activity, the scope includes the main auditee and the selected next-tier business partners (i.e., farms), which may belong or not to the same legal entity

One site that belongs to a legal entity with several sites: the RSP holder may request to identify as main auditee only one site out of several sites belonging to the same legal entity. This exception can be granted by the monitoring partner provided that the following two criteria concur:

Proven physical separation: The production unit to be audited (on-site) is clearly and physically separated from other production units of the producer

Proven workforce separation: There is no workforce movement or exchange between the production unit to be audited (on-site) and other production units of the producer

The monitoring partner may accept this monitoring request from the RSP holder, without seeking amfori approval. However, prior to accepting it, monitoring partners are expected to:

- Conduct relevant due diligence to verify that the conditions above are met
- Maintain documentation of such due diligence

Furthermore, monitoring partners will make sure that the monitoring duration is calculated based on the number of workers in the production unit to be audited (on-site) and not based on the total number of workers in the legal entity.

8. Selecting a Monitoring Partner

Only monitoring partners that have signed the amfori framework contract are qualified to coordinate and conduct amfori BSCI monitoring. The list of approved amfori BSCI auditing companies can be found on the amfori website.

In addition, only qualified monitoring persons that have completed a qualification process can conduct amfori BSCI monitoring. Both monitoring partners, and their qualified monitoring persons, are subjected to a rigorous third-party integrity programme.

All approved amfori BSCI monitoring partners are full members of APSCA and all amfori BSCI monitoring persons are APSCA enrolled.

amfori does not prescribe -->

- Who pays for the amfori BSCI monitoring activity (full or follow-up); nor
- How much the amfori BSCI monitoring costs.

There are three main ways how amfori members engage with monitoring partners:

Ad-hoc engagement: The RSP holder engages different monitoring partners for each monitoring it requests

Long-term engagement: The RSP holder may engage the same monitoring partner (or companies) for all monitoring activities it requests

Mixed engagement: The RSP holder may engage the same monitoring partner for all monitoring activities in one region or sector and engage different monitoring partners in ad-hoc cases

amfori does not prescribe the best engagement approach. However, amfori members shall take into consideration three criteria when selecting a monitoring partner:

Capacity: Monitoring partners should be approached early enough to plan the amfori BSCI monitoring and assign a monitoring person who has the right experience. Requesting monitoring three or four months in advance is a good practice

Price: amfori determines the minimum length of an amfori BSCI monitoring, but every monitoring partner defines its own service rate. A complete monitoring requires good preparation, expertise, and professionalism (prior to, during, and after the monitoring). Low-cost monitoring may end up being expensive in the long run, if they do not provide the information needed

Potential conflict of interest: Monitoring partners have mechanisms in place to avoid conflicts of interest. The RSP holder should, however, keep this issue in mind when selecting the monitoring company. Some examples of potential conflicts of interest are:

- The monitoring person has previously provided training and/or technical advice to the business partner
- The monitoring person is not paid for beforehand, and the price depends on the results

The same monitoring partner is used over time with the same individual monitoring person (long-lasting monitoring person-auditee relations can compromise the objectivity of the auditor and the quality of the monitoring process.) amfori members can use the amfori external grievance mechanism to report allegations concerning auditing.

9. Initiating amfori BSCI Monitoring

amfori BSCI monitoring can only be scheduled through the amfori Sustainability Platform.

The information in this section only refers to **a 'full' amfori BSCI Social Audit**. Please do not use these instructions to request a **follow-up** monitoring.

The amfori Academy offers specific tutorials to support amfori members in scheduling a monitoring and business partners to understand the amfori BSCI monitoring process successfully.

The following are five key steps to keep in mind:

STEP 1: Ensure that your business partners' information is correct for each of their sites.

Business partners are responsible for maintaining their own data on the amfori Sustainability Platform. Neither linked members, nor the RSP holder can change company information on behalf of the business partner[1].

Business partners can:

1. Manage their company details: change the company name or the address

2. Site management: add a new site or change the address of a site (= the physical location where the audit/monitoring takes place)

3. Add and remove new business partners: e.g., 2nd or 3rd tier producers (upstream) of the member

4. Manage company users: change the main contact person, add or remove employees

5. Manage notification to employees

6. View monitoring results and download the summary PDF report

7. Insert continuous improvement measures and define sustainability impacts

Multiple sites: on the amfori Sustainability Platform the business partner can have multiple sites with different addresses under one overall amfori ID. Each site can be managed separately by the business partner, who is responsible for updating their own data.

If the **company or the site information of the Business Partner changes,** such as the company name, address, or classification, then the business partner needs to update the company information themselves under **Admin > Company and/or Admin > My Sites**.

Business Partner relocation: if the business partner moved location (physical change of location with a new address), the main administrator of the business partner has to add a new site under Admin > My sites and might also change the company information **under Admin> My company**. If the change of address is only "cosmetic", without a physical change of location, then the business partner can directly edit the information in the company/site profile directly.

If the company/site information of the business partner changed after a monitoring activity was requested, it can have an impact on the monitoring process. In that case the RSP holder must confirm the changes. To check the status of a requested monitoring, go to the **Monitoring > requested tab**. You can see the requested activity and its status under the Status column on the right side. The selected monitoring partner has five calendar days to reply to your request (they can either accept or reject).

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[1] Please forward this guidance document (amfori Academy > Platform training > amfori BSCI business partner training > training guides) to your business partner that will help them for day to day entries on the amfori Sustainability Platform. It is available in the following languages: English, Chinese, Turkish and Spanish.

Monitoring status:

Requested: the monitoring partner can either confirm or reject RSP's request within five days

Expired/rejected: the monitoring partner did not reply within five days or rejected RSP's request. Then, RSP selects a new time window and/or another monitoring partner

To confirm: the monitoring partner needs to confirm the receipt of the request within five days

To plan: the monitoring is confirmed and scheduled

Report submitted: the monitoring is completed, and the audit report is available on the new platform

Cancelled: the monitoring was cancelled by the RSP holder or by the monitoring partner. Please see the guide on amfori Sustainability Platform for amfori members.

STEP 2: Take the Responsibility (RSP) for the potential auditee. Only RSP holders can request and schedule monitoring activities.

Recommended Risk Assessment Step: Self-Assessment Questionnaire

Self-Assessment questionnaire (SAQ): For business partners to raise awareness of social risks and issues. amfori BSCI Self-Assessment mirrors the amfori BSCI audit questionnaire and allows the potential auditee to fully understand the values and principles of the amfori BSCI Code of Conduct and how to embed them in regular business practice. There are specific Self-Assessment questionnaires available for farms on the amfori Sustainability Platform.

▌ **IMPORTANT:** SAQs are available on amfori Sustainability Platform for business partners.

- A business partner can prepare for an amfori BSCI audit/monitoring by conducting a Self-Assessment, and then use the results to make proactive improvements before the full audit takes place.
- The Self-Assessment contains the same questions as the full, regular, amfori BSCI social audit.
- The results show percentages, rather than grades and overall rating, and also show Findings.
- If a business partner completes a Self-Assessment, the linked members can view the results.

▌ **IMPORTANT:** amfori highly encourages Members to invite their business partners to fill in and use Self-Assessments through the amfori Sustainability Platform.

STEP 3: Request Monitoring

Please complete the following steps:

1. Click on **Monitoring**
2. Click on **Requested**
3. Click on **+ Request Monitoring** on the top right side
4. Select the **Business Partner that you would like to monitor as main auditee**. Click on **Next step** on the bottom right side
5. Select **the site that will be monitored as main auditee** (Please select the site where the most recent audit history is saved (usually not site 1). Click on **Next step**
6. Select initiative: amfori BSCI

7. Select monitoring activity:

   - amfori Social Audit - Manufacturing

   - amfori Social Audit - Multi-tier Food

   - amfori Social Audit - Small Producer Assessment

   - amfori Social Audit - Agriculture Large Farm Food

8. Select announcement type: semi-announced comes by default

9. Indicate requested time window

   Dates indicated in the **From** section must be two weeks from the date of request and the time window span should be at least four weeks.

   The selected time window must reflect a period when the business partner is in normal operations or during peak season. Click on **Next step**

10. If applicable, **select next-tier sites** that will be monitored in a multi-tier audit. Click on **Next step**

11. Select **monitoring partner** that is available in the country of the Business partners and for the requested monitoring activity.

12. Click on **Request** and it will be sent to the monitoring partner

STEP 4: Confirmation of Monitoring Request

The monitoring partner receives the request via the amfori Sustainability Platform and confirms the request:

- Through the amfori Sustainability Platform, the monitoring partner also assigns a date for the audit, appoints a lead monitoring person and optionally, appoints other monitoring team members

- Requests availability dates within a defined period from the main auditee (for a semi-announced audit) or informs the main auditee of the audit date (for an announced audit)

If the monitoring partner rejects the request, the member will be immediately notified.

What the RSP holder needs to know at a minimum prior to scheduling:

Location of the main auditee

Number of workers (number of workers determines the length of the monitoring, both full and follow-up)

Existing farming activity that could be added to the audit scope. (e.g., the main auditee owns, or contracts farms whose produce is processed at the main auditee)

Much of this information can be found on the business partners' profile.

10. Duration of the amfori BSCI Monitoring

The tables below apply as a reference for all amfori BSCI monitoring activities:

Full Monitoring Duration

The table below shows the minimum duration for full monitoring activity as well as the minimum number of worker interviews. Monitoring duration includes 0.5 day for monitoring report writing. Where necessary, the monitoring partner can determine that the monitoring should take more days than the recommended person-days. Where this occurs, this should be captured in the monitoring report. If the monitoring partner determines to use an interpreter for the implementation of monitoring activity, they can add 20% time on the audit duration.

Producer Size (Workforce*)	Full Duration (Person-Days)	Minimum Worker Interviews (# of Workers)
1-35 (SPA only)	1	1-5
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
801-1,200	4.5	30-35
1,201 -2000	5	35-40
2001-3000	5.5	40-45
3001-4500	6	45-50
4501-6000	6.5	50-55
6001-10000	7	55-60
10000+	7.5	60-65

Table 5: Minimum duration of an amfori BSCI full monitoring

*A company's workforce represents the total number of workers employed, either permanent or temporary.

In the case of multi-tier audits, amfori recommends calculating the person-days for each next-tier site (e.g., farms) as separate units.

The table below is an example of how to calculate the length of an audit, based on a hypothetical situation where the main auditee employs 120 workers and the selected supplying farms are each employing between 5 and 500 workers (incl. temporary workers).

The table below is an example of how to calculate the length of a monitoring,

EXAMPLE

	Producer Size (workforce)	Full Audit Duration (Person-Days)	Worker Interviews (# of Workers)	Reporting Time (Person-Days)	Travel Time
Main Auditee	120	2.5	18	0.5	-
Selected Farms:					
Farm A	5	0.5	5	0.5	-
Farm B	200	2.5	15	0.5	-
Farm C	37	1	8	0.5	-
Subtotal for Farms	242	4	28	1.5	-
TOTAL	362	6.5	46	2	-

Using the table above as a reference, monitoring partners will make a proposal to be negotiated between the main auditee, the RSP holder, and themselves.

This initial calculation is presented to both RSP holder and main auditee to assess whether economies of scale can be identified.

amfori does not interfere in these negotiations. However, it expects that these negotiations will lead to responsible and realistic solutions that do not compromise the quality of the audit.

Minimum Requirements

- If the audit takes place more than person 5 days, if possible, it should be completed by at least two amfori BSCI auditors, with the aim to complete the audit within 5 calendar days.
- Both auditors should be involved in the interviewing process.

Recommendations

- amfori BSCI recommends at least two auditors for audits that are more than 3 person-days.
- Additional person-days may be required for the factories that have more than 100.000 square meters closed area.

Follow-up Monitoring Duration

The table below shows the minimum duration for a follow-up monitoring. In this case, the duration depends on the number of workers and the number of PAs with findings in the previous monitoring. It includes 0.5 day for monitoring report writing.

The calculation of the interview samples for a follow-up audit should include the steps below:

1.   Calculate the number of Performance Areas with findings

2.   Obtain the most updated number of workers within the scope (i.e., Producer Size)

3.   Calculate the minimum duration of the follow-up audit by using Table 6

4.   Match the minimum duration with the minimum interview sample by using Table 5-Minimum Duration of an amfori BSCI Full Audit.

If the audit duration is adjusted to be longer than the minimum requirement, the interview sample must follow the adjusted duration.

Producer Size (workforce)	Interview (# of Workers)	Number of PAs with Findings in Previous Monitoring								
		1 to 4	5	6	7	8	9	10	11	12 + = Full Audit Duration
1-35	1-5	1*	1	1	1	1	1	1	1	1
36-50	5-10	1	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
51-100	10-15	1.5	1.5	1.5	1.5	1.5	1.5	2	2	2
101-250	15-20	1.5	1.5	1.5	2	2	2.5	2.5	2.5	3
251-550	20-25	1.5	1.5	2	2	2.5	2.5	3	3	3.5
551-800	25-30	1.5	1.5	2	2.5	2.5	3	3.5	3.5	4
801-1,200	30-35	1.5	2	2.5	2.5	3	3.5	3.5	4	4.5
1,201-2000	35-40	3	3	3.5	3.5	3.5	3.5	4	4	5
2001-3000	40-45	3	3	3.5	3.5	4	4	4.5	4.5	5.5
3001-4500	45-50	3.5	3.5	3.5	4	4	4.5	4.5	5	6
4501-6000	50-55	3.5	3.5	4	4	4.5	5	5.5	6	6.5
6001-10000	55-60	4	4	4	4.5	5	5.5	6	6.5	7
10000+	60-65	4	4	4.5	5	5.5	6	6.5	7	7.5

Table 6: Minimum duration of an amfori BSCI follow-up monitoring

11. How amfori Members can prepare for the amfori BSCI Monitoring

Before a monitoring takes place, amfori BSCI members should do the following:

Gather the information needed to define the type of monitoring approach

Request that the business partner signs the amfori BSCI Code of Conduct

Agree on who will pay for the amfori BSCI monitoring

Allocate budget for specific capacity-building activities both for their own business and for their business partners

Allocate budget and responsibilities for the immediate reaction to zero tolerance alerts

Access to up-to-date information: amfori BSCI members shall ensure that their business partners, particularly those that are going to be monitored (e.g., producers), have regular access to up-to-date information on the monitoring process.

There are several ways to do this successfully:

- Assess who is the right intermediary and provide them with the relevant information regularly. amfori BSCI members will need to develop simplified fliers or tools for people in charge of sourcing, so they have quick access to the key messages to convey to new or existing business partners in the supply chain.

- Provide business partners access to the different amfori BSCI tools available to them, including:

  - amfori Sustainability Platform: Provides business partners access to monitoring reports and continuous improvement measures

  - amfori Academy: Provides business partners access to relevant courses. These are free of charge for the business partners to attend.

Assess leverage: amfori BSCI members may anticipate the leverage they have with their business partners by accessing information in the amfori Sustainability Platform on the number of other amfori BSCI members linked to the same business partners.

12. How Monitoring Partner Scheme Managers Can Prepare for the amfori BSCI Monitoring

In most cases, a scheme manager from an approved monitoring partner is responsible for managing amfori BSCI monitoring requests and scheduling through the amfori Sustainability Platform.

Prior to scheduling a monitoring, the scheme manager needs to verify that the monitoring request is in line with the guidelines of the amfori BSCI System Manual and accurate in terms of:

Monitoring type: If the monitoring type selected is incorrect, scheme managers are expected to advise the RSP holder accordingly (e.g., a SPA has been required for a producer without small producer self-declaration).

Audit validity: If the monitoring request is not consistent with the amfori BSCI monitoring cycle, scheme managers are expected to advise the RSP holder accordingly (e.g., the RSP holder requests a follow up monitoring in a business partners that has exceeded the monitoring cycle and therefore needs a full monitoring).

The scheme manager is the responsible for the selection of appropriate monitoring persons (whether a single monitoring person or a team of monitoring persons). The sector and the region will guide the scheme manager to select the best monitoring persons who:

- Master at least one of the local languages and the languages that a great portion of migrant workers may use (if applicable)

- Understand the sector, applicable legislation and specific social risks

- Have sufficient experience and knowledge of the sector of the business partners/auditees based on the GICS Classification that they indicate on the amfori Sustainability Platform profile

- Are sensitive to potential vulnerabilities and to gender equality (e.g., unprotected minorities) and know how to navigate them.

When building effective monitoring teams, the scheme manager will be sensitive to gender balance in the team that fits for the structure of the auditee.

Financial implications: Scheme managers will consider that allocated time and person to conduct a monitoring will have financial implications on the party paying for it.

The scheme manager will communicate to the RSP holder any reasoning that could justify increasing number of monitoring persons, extension of travelling time or additional off-site interviews.

Using the amfori Sustainability Platform: Scheme managers are often responsible for uploading information on the amfori Sustainability Platform. The amfori BSCI Auditing Framework Contract and amfori IT Platform Terms of Use, define how auditing companies manage information:

- Use only the amfori Sustainability Platform to communicate the results of their monitoring

- Ensure that data submitted through the amfori Sustainability Platform is accurate and current as of the date of submission and to the best of their knowledge

- Use information accessed in the amfori Sustainability Platform only to monitoring factories and farms in the supply chain of amfori BSCI members

- Treat all information in the amfori Sustainability Platform as business confidential and do not disclose it outside the amfori Sustainability Platform

13. How Individual Monitoring Persons Can Prepare for the amfori BSCI Monitoring

amfori BSCI monitoring persons should take any steps needed to understand the auditee's situation. At a minimum, a monitoring person should understand the following aspects:

Geography: A monitoring should take into consideration the geography of the business partner's area. Geography is relevant to organising logistics as well as to understanding the workers' reality and potential risks on site. For example, the monitoring person should verify the way workers commute to work, the distance to schools, and the distance to hospitals and/or other regular administrative offices (e.g., banks).

Peculiarities: A monitoring person should gain an understanding of hidden and visible gender issues, the social hierarchy, migration issues, the use of homeworkers or youth, and relevant local authorities. These peculiarities should never catch the monitoring person by surprise.

Legislation: A monitoring person should review specific, relevant legislation. In some cases, local rules and regulations may embed particularities that will impact the way a monitoring person is going to employ their professional judgement.

Remuneration and Living Wage: A monitoring person should pre-calculate fair remuneration and living wage as accurately as possible, based on the region and sector.

Sector: A monitoring person should gain a good understanding of the sector of the auditee and its peculiarities. This includes, but it is not limited to:

- Understanding the production structure

- Verifying the existence of specific trade unions

- Verifying the existence of specific collective bargaining agreements

- Learning if there are differences in the way remuneration is granted

- Verifying if there is specific legislation that applies (e.g., for agriculture or for cooperatives)

- Understanding any risks related to the sector

Have all relevant documents upfront: The monitoring person shall take the measures necessary to gather all relevant documents prior to conducting an amfori BSCI monitoring. This includes, but is not limited to:

- Access to the amfori BSCI monitoring report in the amfori Sustainability Platform

- A copy of the signed version of the amfori BSCI Code of Conduct to verify the auditee's involvement in the amfori BSCI monitoring process

- When relevant:

  - A copy of the small producer self-declaration (see Guide 12: How to assess a small producer)

14. Implementing the amfori BSCI Monitoring

All amfori BSCI monitoring activities are to be implemented following a standard of quality, due diligence, and practical wisdom.

Practical Experience and Professional Judgement: amfori BSCI monitoring persons are expected to incorporate the use of two key concepts into all audits: practical wisdom and professional judgement.

Use practical wisdom: Within the amfori BSCI methodology, monitoring persons are requested to use practical wisdom, i.e., to make informed and rational judgments without a black and white decision procedure. In fact, amfori BSCI audit questionnaires are there to guide monitoring persons in the assessment only. However, findings need to be formulated by considering the evidence collected throughout the monitoring and across PAs. To that aim, amfori BSCI monitoring persons shall interpret rules and principles as well as unspoken or informal signals considering the specificities of the auditee. Practical wisdom implies that monitoring persons can:

- **Contextualise:** monitoring persons should be able to put the reality they are assessing into context. E.g., what social or cultural rules impact on worker-management communication? How do OHS rules apply to farming operations?

- **Empathise:** monitoring persons should be able to take the perspective of other and understand how the situation is perceived from their side e.g., why may women worker prefer talking to a female auditor?

- **Balance:** Monitoring persons should be able to be receptive to conflicting interests without compromising their neutrality e.g., what if workers prefer being paid gross salary without Social Security contributions being deducted?

Use professional judgement: Monitoring persons are expected to use their professional judgement in connecting facts and information with the different values and principles of the amfori BSCI Code of Conduct.

- The monitoring person will analyse the interconnection between certain business practices and the PAs (e.g., Limiting access to grievance mechanism as a business practice may most likely have negative repercussions in PAs such as Special Protection for Young Workers, Occupational Health and Safety; No Discrimination, Violence or Harassment; No Precarious Employment and Unethical Business Behaviour).

- Professional judgement also helps monitoring persons to decide whether the information gathered qualifies as satisfactory evidence or just information to keep in mind but not necessary evidence.

The Six key Steps in the amfori BSCI social Monitoring

STEP 1: Arrive and introduce the team. The monitoring person, or group of monitoring persons, will introduce themselves (lead auditor will introduce their team), show their credentials, and briefly explain the reason for their visit. When relevant, the monitoring person will need to inform the auditee of the consequences of denying access.

STEP 2: Conduct an opening meeting. The opening meeting will occur in the place defined by the auditee. It can be in a meeting room or outdoors when the audit is conducted on farms. This meeting sets the scene and helps create a collaborative and open dialogue-based approach. The monitoring person will take this opportunity to:

- Explain the sequence and purpose of the amfori BSCI social audit

- Introduce him or herself, the team of monitoring persons if applicable, and the most relevant competence and accreditation

- Explain the monitoring partner's anti-bribery policy and its consequences (auditee's signature on this document is required)

- Gather information on the people present at the opening meeting (e.g., managers and their functions, workers' representative, and legal counsel)

- Explain and adjust (if necessary) the audit planning (for example: definition of farms to be audited as part of the sample, if they are part of the audit scope)

- Request the bulk of documents that will be initially verified (e.g., contracts, payrolls, policy documents etc)

STEP 3: Collect evidence. The monitoring person collects evidence on the auditee's social performance through documentation, site observation and interviews. These three types of evidence collected will be reported accordingly in the audit report under the following inscriptions:

- **DO:** DO means document verification

- **SO:** SO means site observation, which includes visiting and analysing the production facilities, units and farms if applicable

- **MI:** MI means management interview and includes information gathered from interviews with all relevant managers

- **WI:** WI means workers' interview and includes information gathered from all workers (seasonal or permanent) that have been interviewed

- **WRI:** WRI means workers' representative interview and includes information gathered from workers' representatives

STEP 4: Complete the relevant social performance questionnaire. Based on their professional judgement, the monitoring person will complete the relevant social performance questionnaire for the main auditee and if applicable the questionnaires for each next-tier site. The questions help the monitoring person to cross-check if he or she has reached 'satisfactory evidence' regarding the auditee's social risks and performance. Key terms to understand include:

- **Satisfactory evidence:** This refers to a comfortable level of facts and/or information that allows the monitoring person to reach a conclusion

- **Sufficient evidence:** This is the minimum evidence required to prove a fact (e.g., certificate of potable water).

The amfori BSCI audit questionnaire formulates the questions asking the monitoring person for satisfactory evidence. This is because amfori wants to encourage monitoring persons to have a wider level of comfort (than just sufficient evidence) on how certain business practices contribute to workers' rights protection.

For example, instead of limiting to sufficient evidence (the producer has shown a valid certificate of potable water) amfori auditors will aim at seeking for satisfactory evidence (the producer may have a certificate or other proofs that water is suitable for human consumption; potable water is always available to workers; drinking recipients available, clean, and free of contamination vectors).

Certainly, this level of comfort cannot be achieved if monitoring persons answer the questions automatically. At the contrary, amfori BSCI audit questionnaire requires auditors a rigorous analysis of the situation prior to answering the questions.

STEP 5: Generate the findings report: The findings report describes auditee's good practice as well as areas for improvement to progress in the implementation of the amfori BSCI Code of Conduct. When it comes to writing the findings, monitoring persons should respect the following approach and explain:

- **The way their judgement was built:** Description of the reasoning followed and how workers' protection was taken into consideration

- **The satisfactory evidence and relevant findings:** Description of the body of facts and information and consequent findings

- **Considerations and consequent observations:** Description of those observations that may not qualify as findings but are relevant as part of the body of information.

STEP 6: Conduct a closing meeting. The closing meeting will occur at the end of the audit in the place defined by the auditee for this purpose. It can be in a meeting room or outdoors. This meeting is vital to maintain the collaborative environment created through the course of the audit and obtain any needed clarification. The monitoring person will take this opportunity to:

- **Comment** on the sequence identified through the course of amfori BSCI audit. The monitoring person will thank the producer for being collaborative, providing access to documents, and allowing pictures to be taken. The monitoring person may use the opportunity to inform the auditee about some of the issues discovered during the audit.

- **Brief** the auditee on how professional judgement is based upon a combination of facts and information. The monitoring person should explain that interviews with workers are just one of the many sources of information that contribute to the judgment to avoid pressure on workers.

- **Brief** the auditee on the way the amfori BSCI rating is automatically calculated by an online, computerised system and is out of the monitoring person's control.

- **Explain** the good practices identified during the audit.

- **Explain** findings and observations, with brief explanations on why the observations represent a potential risk for the auditee and its clients. The monitoring person should provide the big picture instead of just referring to what the amfori BSCI Code of conduct says.

- **Remind** the auditee for defining continuous improvement actions and measures through the amfori Sustainability Platform.

- **Provide** information on submission of the monitoring report in the amfori Sustainability Platform, etc.

- **Request** that the management and workers' representative sign the findings report. Inform the auditee that a signature does not represent acceptance of the content, but just acknowledges that the audit has been conducted without irregularities.

- **Remain** open to questions and clarifications.

For an amfori BSCI multi-tier audit, the monitoring person will follow all first five steps described above for each of the monitored sites included in the audit scope (e.g., main auditee + farms). Step 6 - Closing meeting will only be conducted once with the main auditee.

Ways the amfori BSCI Audit can be compromised

Implementation of an amfori BSCI social audit can be compromised in the following ways. When a monitoring activity cannot be started or finished, it is labelled as interference. On the Sustainability Profile, the activity still appears - but without a final rating. The status will show either:

Access denied: The auditee does not allow the monitoring person to access the site, or the monitoring could not start because the auditor was denied access. In this case, the monitoring person selects 'Access Denied' (Click on 'Stop Monitoring' instead of 'Submit'), and he/she provides details to justify that choice.

Transparency is denied: The auditee must be fully transparent with the monitoring persons during the monitoring activity. This means the:

- auditee should not prevent the monitoring person(s) from conducting employee or management interviews.

- auditee should provide the monitoring person(s) with the ability to review the relevant records both on digital and on paper.

- auditee cannot attend interviews or enter areas where interviews are happening

In the case of one or more above of these cases happen and impact adversely on the quality of the monitoring person's assessment, then the monitoring person may selects 'Access Denied' (Click on 'Stop Monitoring' instead of 'Submit'), and he/she provides details to justify that choice. Auditor is expected to use their professional judgment and triangulation approach to analyse and take action on such cases.

Please note that in the case of lack of following items, monitoring person can consider following Zero Tolerance Protocol.

- the auditee must maintain only one set of payroll and time records that accurately reflect all regular and overtime hours worked and paid for all employees.

- The auditee should not provide falsified documents such as permits and licenses.

Partially conducted: The audit is conducted, but interrupted, which prevents the monitoring person from finishing the evaluation. In this case, the monitoring person selects 'Partially Conducted' (Click on 'Stop Monitoring' instead of 'Submit''), and he/she provides details to justify that choice. Only some Performance Areas could be completed during the monitoring, therefore, the results are only visible when the audit is completed for a section.

In the case of an amfori BSCI multi-tier audit, an interference (Access denied or partially conducted) at the main auditee affects the overall monitoring report. Next-tier sites can still be audited but the overall audit result will be compromised. An interference at one of the next-tier sites does not affect the overall monitoring report, only the section related to the affected next-tier site.

15. Continuous Improvement

The overall reason for the continuous improvement functionality is to identify and implement actions that will have an impact on the sustainability as a business partner. amfori calls these improvement activities 'Sustainability Impacts'. amfori BSCI members can view the Continuous Improvement activity and progress of their business partners, and can, together, agree which Sustainability Impacts and supporting Measures should be used. Audit findings can be explicitly linked to defined improvement activities.

It is important to understand some of the terms used:

A '**sustainability impact**' is the outcome that the business partner intends to achieve.

'**Measures**' are the activities that will be completed to achieve this outcome.

Only the business partners who owns the site can input this information and set the status to Complete. All linked members can view the information but cannot edit it.

A graph shows how many audit findings have been linked with a sustainability impact, how many of these have been set to 'complete'. The member can, when appropriate, initiate a follow-up audit from this part of the Platform.

Response to findings report: After an amfori BSCI audit, business partners should define a 'sustainability impact' (previously named as remediation plan) in response to the findings report issued by the auditor. This will be visible to all linked members in the amfori Sustainability Platform.

For Multi-Tier audits, the response to findings reported at next-tier sites is the responsibility of the main auditee in cooperation with the farms.

16. Follow-up and Continuous Improvement

- RSP applies for the whole business partner company and for all its sites

- An RSP holder can cancel a monitoring activity at any point up until the activity is scheduled by a monitoring partner
Continuous improvement is a core value of the amfori BSCI system. amfori BSCI members expect their business partners to continuously show improvements in the way their businesses respect human and labour rights at their premises and throughout their supply chains.

amfori BSCI members are encouraged to support their business partners to:

- Remediate findings in the short and long term

- Make necessary long-lasting changes

- Integrate the amfori BSCI Code of Conduct into their business culture

Balancing autonomy and responsibility: amfori BSCI relies on a balanced combination of autonomy and responsibility to guide the relationships between amfori BSCI members and their business partners.

> **IMPORTANT:** The goal is for members to support business partners' progress and continuous improvement while allowing them to take ownership of their own business responsibilities.

Two key concepts are relevant here:

Autonomy: It refers to a business partner's aptitude after an assessment to take their own decisions toward handling their improvement process. Business partners are offered specific trainings and support to overcome any identified shortcomings, including zero tolerance issues. In addition, business partners are encouraged to proactively utilise any other available learning resource in a self-motivated manner. Furthermore, business partners with an overall rating "A" (Very Good) and "B" (Good) are excepted have the level of maturity that allows them to independently design and maintain their continuous improvement process without the need for an amfori follow-up monitoring. Continuous improvement function on the amfori Sustainability Platform is available for all rating results with findings.

Responsibility: For business partners with an audit rating equal to or below 'C' (Acceptable), an amfori BSCI follow-up monitoring should be conducted within 12 months of the previous amfori BSCI monitoring date. If this deadline is missed, an amfori BSCI full audit will need to be requested to maintain the business partner within a valid audit cycle.

Circumstances where verification of progress (including amfori BSCI follow-up monitoring) may be pursued in an early stage:

amfori BSCI follow up monitoring usually occurs within 12-month from previous amfori BSCI monitoring. At the same time, there may be circumstance where amfori BSCI members may see the need to schedule a follow up monitoring in an early stage. This can take the form of an amfori BSCI follow up monitoring or a different agreed mean. Here some examples:

Auditee seeks proactively to get a follow up: The auditee may have identified how to do the necessary improvements in a brief period of time, and it is eager that those improvements are verified by a third party and have a positive impact on its rating.

amfori BSCI member (RSP holder) is proactive: Experience shows that attentive follow up may be required to encourage the short, medium, and long-term changes needed to embed the amfori BSCI Code of Conduct in the business. Based on this experience, amfori BSCI members may seek early follow up, for example in the following scenarios:

- **Zero tolerance labelled producer:** The ad-hoc remediation group may agree on the need to conduct an amfori

BSCI follow-up monitoring in a very short period after initial remediation has presumably taken place to validate progress and move towards medium-term improvements.

- **Lack of continuous improvement plan submission:** There may be technical reasons why a producer does not act on Continuous Improvement in the amfori Sustainability Platform. However, respect for the timeline is an indicator of the auditee's willingness and interest to improve. Failing to respect the 60-day deadline to submit continuous improvement plan for ZT label cases may be an indicator of disregard or lack of interest to improve. Based on this experience, amfori BSCI members may schedule an amfori BSCI follow up monitoring to reactivate business partners' interest.

Escalation, emergency, or grievances cases: All these cases represent scenarios where amfori BSCI members, in collaboration and with the support of the amfori Secretariat, might decide to urgently conduct a third-party assessment (e.g., Special investigation) regardless of the amfori BSCI audit's standard process.