



Social Accountability Audit v2

# General Regulations

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## 1. INTRODUCTION

- a. The Social Accountability Audit establishes voluntary requirements for the certification of social responsibility. These General Regulations detail the requirements of the Social Accountability Audit with which the applicants shall comply in order to gain certification.
- b. The Social Accountability Audit is developed and managed by Azzule Systems, a leading provider of global data management solutions for firms throughout the fresh produce industry.

## 2. SCOPE

- a. The scope of the Social Accountability Audit is focused on the social aspects of the Agricultural sector. With that intention, the Social Accountability Audit establishes a series of requirements for child & forced labor, wages/compensation, pensions, working conditions, discrimination, health & safety, living quarters, and environmental protection.
- b. The Social Accountability Audit can be a standalone audit or as an addendum audit that can be linked to a specific audit, for example, a food safety audit or a Sustainability audit.
- c. An explanation of the requirements for each of these areas is provided in the current normative documents of the Social Accountability Audit:
  - i. Social Accountability Audit - General Regulations
  - ii. Social Accountability Audit – Audit Checklist
  - iii. Social Accountability Audit - Audit Questions & Expectations
- d. The Social Accountability Audit may issue additional normative documents from time to time. The normative documents will be reviewed internally if needed, changes will be made. These documents are published and available on the web page [www.azzule.com](http://www.azzule.com)
- e. English is the original language of the normative documents. Translations will be made to other languages as needed, to also be issued as official normative documents. The English version is the primary reference source.

## 3. LEGISLATION

- a. Legislation differs from one country to another. The Social Accountability Audit has been developed to ensure that where laws exist; these practices and parameters are used as a reference for applicant's conformance, establishing minimum acceptable criteria for social accountability certification. If there are no documented laws or regulations, Social Accountability Audit users should permit certain degree of risk assessment to meet minimum criteria for social accountability certification.

## 4. GUIDANCE FOR THE MANAGEMENT OF AUDITING COMPANIES

- a. The certification evaluations for the Social Accountability Audit can only be performed by Auditing Companies. Certification activities shall be carried out by personnel who have the competence requirements to meet all management, administrative, technical and auditing functions.
- b. Auditing Companies must be accredited by a reputable accreditation body under ISO/IEC17065 or ISO/IEC17021 or equivalent, for a separate audit scheme, and must maintain such accreditation when performing audits and certification under the Social Accountability Audit. The Auditing Companies shall have a documented and implemented quality system that shall contain all the necessary requirements

for conformance with the Social Accountability Audit.

- c. There shall be a designated member of the Auditing Company staff responsible for the quality system's development, implementation and maintenance. This person, the QA/Scheme Manager of the Auditing Company will be the contact person with Azzule for the management of the Social Accountability Audit. The Auditing Company shall maintain records regarding the qualifications, training and experience of all staff involved in the certification process.
- d. Azzule will define a set of indicators of performance for Auditing Companies, which will be monitored according to a risk based program that will consider the number of certifications issued by the Auditing Company, products certified, the types of operation, complaints received, etc. that Azzule considers representative.
- e. Auditing Companies shall notify Azzule in a timely manner regarding any relevant changes to their ownership, management structure or constitution.
- f. In the case of any possible conflict or problems that could bring the Social Accountability Audit into disrepute, Azzule and the Auditing Company shall agree on the appropriate action to take.

## 5. CERTIFICATION AUDIT DURATION & FREQUENCY

- a. The Auditing Company will also be responsible defining the audit duration and frequency. The audit duration will be recorded per organization and the operations included in the audit certification process. The audit duration will be composed of the time required to perform the audit of each operation type included in the certification scope.
- b. Audit duration comprises the entire audit process, includes the timeframe from the opening meeting to the closing meeting with the organization (where the non-conformances found are reviewed) where non-conformances are indicated. There shall be evidence in the audit report of the time taken for the audit process.

## 6. AUDITOR REQUIREMENTS

- a. Auditing Companies are responsible for ensuring that auditors performing the inspections are in conformance and must have a system in place that ensures auditors are conducting and behaving in a professional manner.

### 6.1 Auditor Qualification/Education

- a. Auditors must have education in an agricultural/crop-based discipline or, as a minimum, have successfully completed a higher education course or equivalent qualification in one of those disciplines, with a degree, diploma or a certificate from a recognized institution.

### 6.2 Experience

- a. It is preferred that auditors have a minimum of 10 audit days or 5 audits of practical auditing experience on performing social audits. This experience can be as third or second party auditor or shadowing an approved auditor. Information about the audit experience shall be documented, including details like: dates, audited organization, type of operation being audited and role of the candidate auditor.
- b. Auditors that have been previously approved by other social audit schemes will also be approved to conduct the Social Accountability Audit.
- c. All auditors must pass the Social Accountability Audit exam to be initially approved, and subsequently when there is a new version of the scheme or as required by the Scheme Owner.

### 6.3 QA/Scheme Manager

- a. The QA/Scheme Manager will have the following responsibilities:
  - i. Be the person who clarifies technical issues with the Auditing Company personnel and audited organizations.
  - ii. Act as a technical contact with Azzule
  - iii. Sign-off approval of new auditors for the Auditing Companies.

### 6.4 Continued Training

- a. The Auditing Company has the responsibility to ensure that their auditors are current on good practices and to be able to apply relevant laws and regulations. The Auditing Companies shall maintain records of all relevant training taken by the auditors.

### 6.5 Attributes and Competencies

- a. The Auditing Company must keep complete records of auditors' qualifications, experience, training, supervised audits, sign-off, re-approval and others as applicable.

## 7. CONFLICTS OF INTEREST

- a. Auditing Companies and the personnel they employ that is involved in the certification process must have a signed contract or agreement that commits them to:
  - i. Avoid any conflict of interest in the certification activities, with regard to services (training and/or consultancy) provided to those applying for certification.
  - ii. Declare any potential conflicts of interest to the Auditing Company management when assigned duties related to an applicant in the program.
  - iii. Be free from any commercial interest in the companies or products to be certified.
  - iv. Maintain the confidentiality of all client specific information except as required by this Social Accountability Audit or by law.

## 8. CERTIFICATION PROCESS

### 8.1 Application

- a. Applicants must provide the Auditing Company with the scope of their operations that they want certified, and the information defining the scope of the certification they want to achieve for their operations. This information should include as a minimum the following:
  - i. Organization details;
  - ii. Contact information;
  - iii. Details about the operation(s) to be included in the scope of the certification. In case of GAP operations, each site is called either "Farm", "Harvest Crew" or "Indoor Agriculture" and the application should detail the different sites to be certified. In case of facility operations, each site can either be called a "Storage & Distribution Center", "Cooling/Cold Storage", "Packinghouse" or "Processing".

8.2 Audit Execution

- a. The audit should be performed using the most recent version of the Social Accountability Audit Normative Documents.

**9. AUDIT EVALUATION:**

9.1 Conformance By Individual Questions

- a. The Social Accountability Audit is composed of several sections and each section includes several requirements. To verify conformance to the Social Accountability Audit requirements, the Social Accountability Audit Checklist and the Social Accountability Audit Questions & Expectations shall be used.
- b. Each question of the Social Accountability Audit Checklist has a possible score assigned to it.
- c. The possible answers for each question are:
  - i. Yes
  - ii. No
  - iii. Not applicable (N/A)
- d. The auditor must evaluate and answer each one of the questions.
- e. Each question in the Social Accountability Audit Checklist has to be looked at individually and answered according to the observations during the audit.

9.2 Scoring System

- a. Each question in the Social Accountability Audit Checklist has a possible score assigned to it. Depending on the answer given, the scores obtained will be defined by:

# of Question Responses	Full Compliance	Non-Compliance	N/A
10	9	0	1

- b. It is important to note that for all questions answered Non-applicable, the points assigned to that question will be taken out of the possible total score, so calculations are not affected by those answers.

9.3 Automatic Failure

- a. There are some questions in the Social Accountability Audit Checklist, that if down scored will lead to an automatic failure and an overall score of 0%.
- b. These questions are identified with a phrase similar to: "ANY DOWN SCORE IN THIS QUESTION RESULTS IN AN AUTOMATIC FAILURE".
- c. Applicant should be immediately informed of the automatic failure by the auditor during the audit.

## 10. SPECIAL CIRCUMSTANCES

### 10.1 Automatic Failure

- a. The Auditing Company reserves the right to fail the audit due to special circumstances for example, deliberate illegal activities, physical acts/threats to an auditor, attempted bribery, falsified records, etc. or finding serious social issues during the audit.

### 10.2 Corrective Actions

- a. The Auditing Company has the right to use all information the organization has provided as evidence of corrective actions to affect other questions in addition to the one being evaluated.

### 10.3 Certification Decision

- a. The Auditing Company has the right to take all information collected during the certification process into consideration when making the decision to grant certification to the specific organization.

### 10.4 Suspension/ Revocation of Certification

- a. The Auditing Company has the right to use all of the information gathered on the certified organizations and operations to suspend or revoke current certifications if illegal actions or serious safety issues are discovered.

### 10.5 Significant Food Safety Events for Certified Organizations & their Operations

- a. All certified organizations shall inform their corresponding Auditing Company about any social accountability safety related prosecution, significant regulatory social accountability non-conformity, or any other issues that could bring the Social Accountability Audit into disrepute. Auditing Companies shall ensure the integrity of certification after notification and consider the need to suspend or revoke certification. Auditing Companies should communicate these significant events to Azzule.

### 10.6 Cause for Early Re-evaluation of a Certified Organization

- a. The certified organization shall inform the Auditing Company of any significant changes, which could affect the safety of employees, changes to the requirement of the certification of the Social Accountability Audit, changes of ownership and/or management.
- b. If the Auditing Company has any reason to believe there could be compliance issues in relation to the certification requirements, a re-evaluation shall be performed to verify conformance with the Social Accountability Audit normative documents or the license agreement. This can include an on-site re-visit to verify that the organization is in compliance with the Social Accountability Audit compliance criteria prior to certifying the organization.

## 11. REQUIREMENTS FOR AUDIT REPORTS

- a. The audit report will be distributed through the Azzule database.
- b. After each audit, the auditor must enter the information into the Azzule database to generate a preliminary audit report within 15 days.
- c. The audit report will be written in the language that the applicant requests. Any language used by the auditing company to generate the audit reports is acceptable by the Scheme Owner but the information entered into the Azzule database must be available in English.



- d. Every audit report shall include as a minimum the following information:
  - i. Name of the auditing company
  - ii. Name of the applicant organization
  - iii. Date and time of the audit
  - iv. Name and version of the Social Accountability Audit documents used for certification
  - v. Audit scope – details of the process under certification
  - vi. Product(s) observed during audit (if applicable)
  - vii. Organization contact
  - viii. Auditor name
  - ix. Audit scoring summary
  - x. Answers and comments for each of the questions in the checklist
  - xi. Shippers (customers of the auditee) designated during the application process (if applicable)
- e. Every audit will generate a non-conformance report that will give a summary of all non-conformances found in the audit, with the corresponding comments and details for each non-conformance.

## 12. NON-CONFORMANCES AND CORRECTIVE ACTIONS

- a. Non-conformances are questions where the criteria for full conformance are not met in the audit.
- b. The applicant organization must analyze the non-conformances raised during the audit and address the deficiencies detailed in the audit report. The applicant organization must undergo this process if they wish to become certified. To have the corrective actions evaluated by the auditor or auditing company, the applicant organization must submit corrective actions within 30 (thirty) calendar days of the original audit date.
- c. The organization may submit corrective actions into Azzule database; or send the corrective actions to the auditor so that the auditor will submit the corrective actions into Azzule database.
- d. Some non-conformances may not be able to be corrected, depending on their nature. The corrective actions from the organization should include the determination of cause(s), any action plan(s) to address immediate issue(s) regarding the nonconformance, the corrective actions taken, and the development of preventive actions to help avoid future occurrences if necessary.
- e. Evidence of corrective actions can be in the form of documents, records and/or photographs and must show that the applicant complies with the criteria needed to achieve full points on a question.
- f. Evidence must be reviewed and closed by the auditor or auditing company. The auditing company has 15 calendar days to review the corrective action evidence, notify the organization if it was accepted or rejected and close the non-conformance(s). The auditing company has the right to determine if a re-visit to the audited organization is necessary to verify corrective actions for non-conformances. The evidence must be verified by the auditing company during the next audit in order to be considered for certification.
- g. If time allows (within the 30-calendar day corrective action submission timeframe), when corrective action evidence is rejected by the Auditing Company, the organization can resubmit additional evidence to close the non-conformance.
- h. Once the applicant organization has responded to the Auditing Company regarding the non-conformances and the Auditing Company has reviewed all corrective actions submitted, the Auditing Company will close the corrective action phase in the Azzule system, which allows for a certification decision to be made.

## 13. CERTIFICATION DECISION

### 13.1 Evaluation of scores

- a. The certification decision shall be based on the compliance with the two requirements below:
  - i. The organization obtains a result higher than 0;
  - ii. The organization closes out all the non-conformances within forty five (45) days of the original audit date.
- b. Certification will be issued individually to each operation that complies with the requirements. If there is more than one field or facility operation, separate audits should be issued to each operation.
- c. Certification is valid only for certified operations.
- d. Certification is valid for a maximum of 12 months from the certification date.
- e. The certificate must be issued from the Azzule database.

### 13.2 Complaints and appeals

- a. The auditing company shall have a procedure in place to handle the complaints and appeals which will be available publicly.

## 14. SANCTIONS

### 14.1 Sanctioning of auditing company

- a. An auditing company will be suspended if:
  - i. The Auditing Company's accreditation has been suspended.
  - ii. The Auditing Company does not pay the agreed fees.
  - iii. The Auditing Company improperly uses the Azzule or Social Accountability Audit Logo.
  - iv. An issue is discovered by the Social Accountability Audit Integrity Program.
  - v. The Auditing Company does not abide by the requirements of the General Regulations, License Agreement of other Scheme requirement.
- b. An Auditing Company will have its approval revoked if:
  - i. Evidence of fraud is found.
  - ii. The Auditing Company declares bankruptcy.
  - iii. A suspension related issue is not adequately resolved.

### 14.2 Sanctioning of certified organizations

- a. If the Auditing Company finds a non-conformance with the Scheme documentation during inspection of a certified organization, a sanction (suspension or revocation) will be issued.
- b. All sanctions will be in writing and will include the nature of the non-conformance, the time frame of resolution (if applicable) and provisions for escalation of sanctions if the non-conformance is not corrected within the specified period.

- c. Only the Auditing Company may lift a suspension sanction after sufficient corrective actions have been submitted with verification either through written or visual evidence and/or an on-site visit.
- d. Note, the Auditing Company can issue the sanction to an entire certified organization or narrow it to a specific certified product(s) or specific operation(s) within the scope of the current certification.
- e. There are two types of possible sanctions to organizations:
  - i. Suspensions - an organization's certification shall be suspended if:
    - A non-conformance is found to be an immediate threat to the public.
    - An inspection results in an automatic failure.
    - If a critical safety issue is detected during an audit (e.g., automatic failure, special circumstance, etc.), then the Auditing Company should consider suspending existing certificates related to this new observation(s).
    - The organization improperly uses the Sustainability Standard logo or trademark.
    - An organization is involved with an illegal activity or serious food safety issue.
  - ii. Revocations - an organization's certification shall be revoked if:
    - An organization does not pay the agreed-to fees.
    - Evidence of fraud is found.
    - A suspension related issue is not adequately resolved.
    - The organization declares bankruptcy.
- f. An organization that has had its certification revoked shall not be accepted for certification for the Social Accountability Audit for a period of six months after the date of revocation.
- g. The Auditing Company shall always notify the Scheme Owner in a timely manner and in writing of any sanction applied to a certified organization, as well as update the system to reflect those changes.
- h. A list of all suspended operations (those suspended after receiving certification), and those operations "not certified due to special circumstances" where the operation was "not certified" based on reasons other than score, is compiled and available to Auditing Company.

## 15. DISTRIBUTION OF AUDIT REPORTS

- a. Auditing company must provide information for each certification process, including but not limited to audit details, outcome and the certification status to the Scheme Owner by using the Azzule database or other means established by the Scheme Owner.
- b. The documented audit reports generated by the certification process for each operation, including those submitted through the Azzule database should be provided to the applicant, the Auditing Company and the Scheme Owner.
- c. Ownership of the audit report, determination of details made available and authorization for access shall remain with the applicant. The Auditing Company will ensure confidentiality except where required by law. The Auditing Company will document and all communication between the Auditing Company and applicant. The Auditing Company will not distribute any communication or certification activity information to an outside party without the applicant's authorization.

## 16. USE OF LOGO AND REGISTERED TRADEMARK

- a. The Social Accountability Audit trademark and logo may only be used with the permission from the Scheme Owner.
- b. The Social Accountability Audit logo must always be obtained by the Auditing Company from the Scheme Owner. This will ensure that it contains the exact corporate color and format.
- c. The Auditing Company is responsible for the control of the use of the Social Accountability Audit trademark and logo on certified operations. The rules for the use of the logo and trademark will be defined in the License Agreement signed between the Scheme Owner and the Auditing Company (Exhibit C of the Auditing Company license agreement) and in the Sub-License Agreement signed between the Auditing Company and each organization. Infringement of the rules by either Auditing Company or organizations could lead to sanctions.
- d. Organizations can only use the trademark and/ or logo when there is a valid Social Accountability Audit certificate linked to that organizations and making clear reference to the certified operations. The logo can only be used for business to business communications.
- e. Approved Auditing Company can use the trademark and/or logo for promotion of their accredited Social Accountability Audit certification activities in business-to-business communication and on their accredited Social Accountability Audit certificates.