

GLOSSARY OF TERMS

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ASCA: Associate Social Compliance Auditor (*ASCA*) is an *auditor* who has been signed off by a *Member Firm* as meeting the criteria noted within the *Competency Framework*; has been enrolled with APSCA; and is working towards sitting the *CSCA* exam.

Audit Firm: Companies or organizations providing independent *social compliance services*. This definition does not include internal audit functions.

Audit Firm Personnel: *Auditors* and all personnel who are involved in the management and supervision, coordination, report writing and report quality review of *social compliance services*.

Audit the Auditor: A risk-based confirmation of audit results for a sample of executions by reperformance of audit procedures by another *auditor* or detailed review of audit working papers.

Auditee: The *facility* at which the audit is being executed.

Auditor: Any individual who conducts *social compliance services* including an employed, *freelance*, or *subcontract auditor*.

Client: The organization that has requested the *social compliance service* and/or the organization that is owed the duty of care.

Code: APSCA Code of Professional Conduct.

Code of Ethics Agreement: Industry standard agreement to be executed in connection with all *social compliance services* outlining the key requirements of the *Member Firm's* integrity program and requiring reporting of all solicitation or offers of bribes.

Competency Framework: APSCA's compendium of demonstrated competencies for practitioners and the basis for consideration as an *ASCA* or *CSCA*.

Complaints: Reporting, whether on an identified or anonymous basis, of alleged non-compliance with the *Code* or *Standards*.

CSCA: Certified Social Compliance Auditor (*CSCA*) is a designation signifying that an *auditor* demonstrates specific experience, knowledge and skills within the field of social compliance auditing. Through a rigorous certification process - including experience, education, examination and assessment - the *CSCA* candidate must demonstrate the core competencies relevant to the profession.

Facility: An operation that is the subject of the *social compliance services*. Generally, these operations would be a specific geographic location and have a unique business license. This can include any location where products are produced, grown, distributed or sold.

Freelance Auditor: – see *Subcontractor*.

Independent Translator: An individual with language skills allowing for communication with *workers* or management and the *auditor*. In all cases, the individual shall have no relationship with either the *facility* or the local authorities and will have executed a non-disclosure agreement.

Member Auditor: An *auditor* who is enrolled and in good standing with APSCA in either an *ASCA* or *CSCA* capacity.

Member Firm: An *audit firm* that is a *member* of APSCA and provides *Social Compliance Audit* services.

Members: *Member Firms* and *Member Auditors*.

Owners: Those with an ownership interest as follows:

- Public Company: any level of ownership requiring legal disclosure under applicable securities laws
- Private Company: any level of ownership

Registered Auditor: A temporary designation for an *auditor* who has been signed off by a *Member Firm* as meeting the educational and experience requirements of a *CSCA* during APSCA's initial deployment of the certification regimen.

Social Compliance Audit: A social compliance service requiring consideration of each of the sections in the *Competency Framework* with the capture and evaluation of sufficient evidential matter to assess performance relative to each section by a *CSCA*. Competent capture of sufficient evidential matter includes at a minimum:

- Observations of conditions in the *facility*, which include the work area and any other relevant areas
- Review of records and policies related to Code of Conduct sections
- Management interviews
- *Worker* interviews
- Triangulation of all information

CSCA's and *Member Firms* have the responsibility to ensure that appropriate time is spent on site to competently achieve these tasks. Appropriate time is a function of many factors, including but not limited to the number of *workers* and physical size of the *facility*. Industry standard practice indicates that effective consideration would generally require a minimum of one *auditor* day on site for small facilities (e.g. less than 100 *workers*), whereas for larger facilities with more *workers*, two or more auditor days will be required on an incremental basis based on the number of *workers* and the physical size of the *facility*.

Social Compliance Consultancy: Any form of assistance with the implementation of any processes or management systems that relates to the requirements of a *social compliance service*. This includes, but is not limited to, tailored training, document development or provision of advice that would specifically assist an entity to work towards meeting requirements or to achieve compliance.

Social Compliance Consultancy does not include:

- The customary exchange of information at the conclusion of or following an audit including clarifying requirements or explaining findings either to an entity undergoing an audit or to an organization commissioning an audit
- Corrective Action Plan management or administration that does not involve the provision of specific direction to address or remediate identified issues
- Training open to the public, not specific to a *client* and held at a public forum

Social Compliance Service: An engagement to evaluate, measure, understand and report an organization's social and ethical performance. A *social compliance service* is intended to support a larger system to improve labor conditions.

Standards: APSCA Standards of Professional Conduct. The compendium of specific requirements providing further details and guidance related to the elements in the *Code*.

Subcontractor: Any *audit firm* and/or individual *auditor* that is not under the direct employment of the *Member Firm* and has been contracted to conduct a *social compliance service* on behalf of a *Member Firm* and for whom the *Member Firm* is responsible.

Training Outcomes: Evidence of successful completion of training, including the results of examinations or evaluations from the trainer(s).

Worker: Individuals present in a *facility* where a *social compliance service* is being performed including direct employees, contractors, temporary *workers* and all other persons on-site.



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