



# Code of Conduct

Leadership & Sustainability

February 2021

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## Leadership & Sustainability Code of Conduct

LEADERSHIP & SUSTAINABILITY, as the prime sustainability management consultant and solution provider, believes in responsible social and ethical behavior. The company has a responsibility to the people serving the company worldwide. People whose work contributes to the company's success should not be deprived of their basic human rights or be forced to suffer physically or mentally from their work. Furthermore, LEADERSHIP & SUSTAINABILITY and its employees have an obligation to all stakeholders<sup>1)</sup> to observe high standards of integrity and fair dealing.

This is the foundation for and the reason that LEADERSHIP & SUSTAINABILITY has created this document, Our Code of Conduct. Our Code of Conduct will be distributed to, and complied with, by all employees. Furthermore, due to our collaboration with various auditing schemes, we also comply with their principles and professional conducts. Hence, the SAC Verifier and Trainer Code of Professional Conduct, SLCP Policy and Professional Conduct as well as APSCA Code of Conduct are included within this document to show our commitment.

If any of the content herein is in conflict with local legislation, then local legislation will supersede. Situations may occur for which there are no specific guidelines. In such cases behavior in the spirit of the Code should be maintained. In case of uncertainty, concern, complaint, or a report of violation, an employee's immediate manager, the person nominated for the local mechanism for referral, or if there is no such local function, the nominated person for the Code of Conduct at LEADERSHIP & SUSTAINABILITY headquarters ([info@leadership-sustainability.com](mailto:info@leadership-sustainability.com)) should be contacted. All information will be treated confidentially, and no employee or reporting actor will be discriminated against for reporting violations of the policy in good faith.

LEADERSHIP & SUSTAINABILITY will follow up and monitor the implementation of the Code of Conduct to ensure compliance.

Sommerhausen, February 1<sup>st</sup>, 2021

Karin Ekberg  
President and CEO

1) These include customers and end users, owners and investors, fellow employees, partners and suppliers, governments and authorities, neighbors and local communities, interest groups and the media.

## Workers' rights, human rights, consumer interests and community outreach

### **Child labor**

LEADERSHIP & SUSTAINABILITY recognizes the rights of every child to be protected from economic exploitation and from doing work that is likely to be hazardous to the child's physical, mental or spiritual health, harmful to their moral or social development, or interfere with their education. A child in this context is a person younger than 15 years of age.

### **Forced or bonded labor**

LEADERSHIP & SUSTAINABILITY does not employ nor accept any form of forced or bonded labor, prisoners or illegal workers.

### **Freedom of association and collective bargaining**

LEADERSHIP & SUSTAINABILITY accepts the freedom for employees to join an association of free choice, to organize and to bargain collectively or individually.

### **Working hours, overtime and overtime compensation**

LEADERSHIP & SUSTAINABILITY complies with local laws and regulations regarding working hours, including overtime and overtime compensation. Salaries should be paid regularly and comply with the relevant local legislation and the local market situation. Employees are entitled to a minimum of one day off in seven and to take national and local holidays. Employees should be granted the stipulated annual leave, sick leave and maternity/paternity leave.

### **Discrimination, harassment, equal opportunities, gender balance and diversity**

LEADERSHIP & SUSTAINABILITY rejects any form of discrimination or harassment in the workplace due to race, ethnicity, sexual orientation, gender, religion, political opinion or nationality. Gender balance and diversity are important to the prosperity of the company and its stakeholders.

### **Employee privacy**

E-mail correspondence: Company e-mail and internet functions should be used only for company purposes and therefore all traffic is company property.

Employment and medical records: Employment records are kept confidential and are only disclosed for legitimate reasons. Employees' medical records are confidential and private, kept separately from all other employee records in locked cabinets or the equivalent. These

records will not be released to any person unless required by law or with the signed, written consent of the employee concerned.

## **Alcohol and/or drug abuse**

LEADERSHIP & SUSTAINABILITY expects all employees to refrain from any alcohol and/or drug abuse that may affect their work.

## **Community outreach**

LEADERSHIP & SUSTAINABILITY acts as a good corporate citizen wherever it operates and whenever possible supports local, regional and global communities in appropriate ways.

## Environment, Health & Safety Issues

### **Environment**

- LEADERSHIP & SUSTAINABILITY continuously develops strategies to reduce consumption of resources, prevent pollution and improve the overall environmental impact from its operations and products along the value chain.
- LEADERSHIP & SUSTAINABILITY continuously seeks ways to improve the work environment to reduce risks that can cause accidents and pollution.

All LEADERSHIP & SUSTAINABILITY employees are responsible for the Company's environmental performance. Everyone must make sure that the effects of any possible environmental impact are minimized and that the facilities are equipped to meet legislative requirements.

### **Health & Safety**

Working environment: It is important for the wellbeing of all employees and for the quality of work that we maintain a good working environment. LEADERSHIP & SUSTAINABILITY respects the laws and regulations of the countries in which it operates and requires that its suppliers and partners do the same.

## Business Ethics

### **Bribes**

LEADERSHIP & SUSTAINABILITY does not accept bribes in any form.

### **Entertainment, gifts, gratuities and donations**

When employees are involved in supply management activities, representing the Company, all decisions shall be made with integrity. Therefore, neither LEADERSHIP & SUSTAINABILITY nor its employees should give or accept any gifts, gratuities or entertainment offers that could influence the company's or customers' decision making. However, small gifts are sometimes a part of business culture.

### **Records and reports**

The integrity of LEADERSHIP & SUSTAINABILITY's record-keeping and reporting systems is of utmost importance. Employees must use special care to make sure that records are accurately and completely prepared and reviewed, whether they are for internal or external use.

### **Conflict of interest**

Conflict of interest between the employee and the company must be avoided. Should such conflict occur, the employee is required to discuss the matter with the immediate manager. Some obvious situations of conflict include:

- Outside business activities
- Personal financial interest
- Using inside information for personal gain
- Employment of close relatives
- Using confidential information for personal gain

**Please note:** Whenever a conflict of interest arises, it will get resolved by removing either the verifier / trainer or the "object" of the conflict.

## Whistle Blowing

Any serious concerns that an employee or client has about our service provision or the conduct of colleagues or others acting on behalf of Leadership & Sustainability shall be reported. These might relate to:

- Conduct which is an offence or a breach of the law (a criminal offence has been committed or failing to comply with any other legal obligation)
- Disclosures related to miscarriages of justice
- Racial, sexual, disability or other discrimination
- Health and safety of the public and/or other employees
- Damage to the environment
- Unauthorized use of public funds or other assets
- Possible fraud and corruption
- Neglect or abuse of clients, or
- Other unethical conduct.

**Please observe:** Verifiers, trainers as well as our clients and those cooperating with Leadership & Sustainability are encouraged and requested to report any kind of unethical behaviour to [info@leadership-sustainability.com](mailto:info@leadership-sustainability.com). The immediate manager will evaluate the case and respond to the issue with considerate measures accordingly.

How L&S manages ethical workplace dilemmas:

1. **Workplace policy** based on L&S's philosophy, mission statement and code of conduct. The policy is incorporated into our performance evaluation program to hold employees accountable for their actions and alert them to their responsibilities to uphold professional standards throughout their job performance and interaction with peers and supervisors. We obtain signed acknowledgement forms from employees that indicate they received and understand the workplace ethics policy.
2. **Workplace ethics training** to employees. Through varied instruction methods, we engage employees in learning how to address and resolve ethical dilemmas. Experiential learning is an effective way to facilitate workplace ethics training. Examples of workplace ethics simulations involve scenarios about the misappropriation of company funds, personal values related to improper workplace relationships and the organization's compliance with regulatory controls.
3. **Designated ombudsperson** (Karin Ekberg, CEO) in charge of handling employees' informal concerns pertaining to workplace ethics. Whenever employees encounter workplace dilemmas that put them into

uncomfortable or threatening position, their concerns are treated highly confidential.

4. **We apply our workplace policy consistently** when addressing workplace issues and employee concerns about workplace ethics. The same business principles are used in every circumstance, regardless of the perceived seriousness or the level of employees involved. Accordingly, the same expectations are set for all employees – whether they are in executive positions or front-line production roles. We approach every issue with equal interpretation of the company policy.

## Contact

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***Agreement and accordance with the document are implicit in the act of signature.***

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Place

Date

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Name, Signature

# Appendix I: SAC Trainer Code of Professional Conduct

The Sustainable Apparel Coalition expects individuals vetted and approved through the Verification Program Manager to follow the principles outlined in the ***Sustainable Apparel Coalition Verifier Code of Professional Conduct***.

## **Integrity**

### *Integrity*

Verifiers must promote a culture of integrity. They must manage and address verification integrity and bribery risks that may exist before, during and after each Higg verification. Verifiers must not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the SAC.

### *Conflict of interest and impartiality*

Verifiers must be impartial and avoid conflict of interests that may create an incentive to report inaccurate facts. Verifiers must not accept anything (e.g. bribes, gifts, benefits, hospitality, meals, entertainment) of any significant value from a facility including its management, employee, or affiliates before, during, and after Higg verification.

### *Corruption*

Verifiers must be impartial and avoid conflict of interests that may create an incentive to report inaccurate facts. Verifiers must not accept anything (e.g. bribes, gifts) that may impair or be presumed to impair their professional judgment.

### *Confidentiality*

Verifiers must maintain confidentiality with respect to information gathered while executing Higg Index FEM verification. Verifiers must take reasonable steps to prevent unauthorized access to information collected during or relating to Higg FEM verification. This includes information available on the Higg.org platform.

### *Intellectual Property Rights*

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and, customer information is to be safeguarded.

## **Performance**

### *Following verification standard*

Verifiers must perform verifications in accordance with the SAC instructions and standards. The Verification protocols provide a step-by-step instruction for conducting verifications. Further verification guidance can be found in the most current How To Higg Manual under the "How this will be verified" section of each question at [howtohigg.org](http://howtohigg.org).

### *Professionalism*

Verifiers must act in a respectful manner to all persons including management, workers, and other facility personnel. Permission to take photos and walk through the facility must be obtained before performing said activities.

### *Safety*

Verifiers must act in a safe manner at all times, respecting and following site specific safety rules, including but not limited to, wearing Personal Protective Equipment and reading all caution signs on facility premises.

## **Verification Outcome Reporting**

### *Ensuring authorized access*

Verifiers shall have systems in place to ensure all data is collected, stored and transferred in compliance with applicable law, is secure and only accessible by authorized persons.

### *Timely Reporting*

Verifiers are required to share verification results via the Higg.org platform in a timely manner as outlined in the verification protocol.

### *Sharing Verification Results*

The verification results may not be shared with any other entities for any purposes. The verification results are entered into Higg.org for posting purposes. Sharing of the verification results shall be done via the Higg.org platform by the owner of the information, which is the factory that hired you for verification and gave you "Verifier" permissions on [higg.org](http://higg.org).

## **Verification Privacy General Rules**

Verifiers should observe the following rules to ensure they are protecting information collected during all verifications:

- Verifiers will not leave their belongings such as notes or other verification related documents out in the open for public consumption
- Verifiers shall ask permission from facility staff when accessing information related to verification topics.
- Verifiers will ensure any electronic devices are secured with a password to prevent access to verification information.
- Verifiers shall not discuss the, verification results, or any other information gained from the verification with anyone outside of the facility management staff, the verification team or the Verification Program Partner, and only as necessary to finalize the verification results

## **Sensitive Information Handling Rules**

The verifier may come across sensitive information during the course of a verification. Sensitive information during a verification may include, innovative designs or processes, price sensitive information, strategy documents, and any other information which differentiates the facility providing them with a competitive advantage. Sensitive information should be guarded under extreme care and with security measures to ensure its confidentiality.

- Sensitive information is confidential and verifiers should not share it with any person or organization.
- Verifiers should not request or use sensitive information data unless necessary for the verification.
- If sensitive information is accidentally provided and is not needed for the verification, Verifiers should return it and not share that information.
- Verifiers should not include specific details about sensitive information in the verification report.

## Appendix II: SAC Trainer Code of Professional Conduct

The Sustainable Apparel Coalition (SAC) expects individuals vetted and approved through the Training Program Manager to follow the principles outlined in the ***Sustainable Apparel Coalition Training Provider Code of Professional Conduct***

### **Integrity**

#### *Integrity*

Trainers must promote a culture of integrity. They must manage and address training integrity before, during and after each Higg training. Trainers must not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the SAC.

#### *Conflict of interest and impartiality*

Trainers must not conduct FEM Verification services for facilities in the same FEM cadence where they have provided training, An exception would be where the training was provided to a larger group audience about general topics and specific discussions or instruction was not directed to a single manufacturer or group of manufacturers that are owned and/or operated by the same manufacturing group.

Trainers should only provide certificates for those who have fully attended training session and completed all required activities as determined by the trainer.

#### *Corruption*

Trainers shall manage risks and ensure compliance with all applicable laws related to corruption. The highest standards of integrity are to be upheld in all business interactions. Trainers shall have a zero tolerance policy to prohibit any and all forms of bribery and corruption.

#### *Confidentiality*

Trainers must maintain confidentiality with respect to information gathered while executing Higg Index FEM training. Trainers must take reasonable steps to prevent unauthorized access to information collected during or relating to Higg FEM training. This includes information available on the Higg.org platform with regards to facilities.

#### *Intellectual Property Rights*

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and, customer information is to be safeguarded.

## **Performance**

### *Following training standard*

Trainers must perform trainings in accordance with the SAC instructions and standards. The Training guidance will provide instruction for conducting trainings.

### *Professionalism*

Trainers must act in a respectful manner to all trainees.

## **Training Reporting**

### *Ensuring authorized access*

Trainers shall have systems in place to ensure all data is collected, stored and transferred in compliance with applicable law, is secure and only accessible by authorized persons.

### *Timely Reporting*

Trainers are required to share training feedback via Sumerra platform in a timely manner as outlined in the training guidance.

### *Sharing Training Feedback*

The training feedback may not be shared with any other third parties outside of the SAC and the Training Program Provider.

## **Training Privacy General Rules**

Trainers should observe the following rules to ensure they are protecting information collected during all trainings.

- Trainers shall ask permission from facility staff when accessing or leveraging information related to facility training.
- Trainers will not distribute training participant information to third parties unless granted permission by training participants.
- Trainers will ensure any electronic devices are secured with a password to prevent access to facility information.
- Trainers shall not discuss specific facility information gained from the training with anyone outside of the facility management staff, the SAC team or the Training Program Manager, and only as necessary to provide feedback for the training program.

## **Sensitive Information Handling Rules**

The trainer may come across sensitive information during the course of a training. Sensitive information during a training may include, innovative designs or processes, price sensitive information, strategy documents, and any other information which differentiates the facility providing them with a competitive advantage. Sensitive information should be guarded under extreme care and with security measures to ensure its confidentiality.

- Sensitive information is confidential and trainers should not share it with any person or organization.
- Trainers should not request or use sensitive information data unless necessary for the training.
- If sensitive information is accidentally provided and is not needed for the training, Trainers should return it and not share that information.
- Trainers should not include specific details about sensitive information in the training.

## Appendix III: SLCP Policy and Professional Conduct

### **Policy**

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#### **Verifier Expectations**

SLCP considers all Verifiers to be representatives of their VBs when engaging with manufacturers. Any sign of bias, favoritism and/or wrongdoing on the part of SLCP, even if perceived, could compromise the validity of the verification process. SLCP expects that all Verifiers will behave in a manner that

- (1) demonstrates the highest levels of ethics, professionalism, and respect
- (2) maintains integrity by ensuring neutrality and avoiding any conflicts of interest
- (3) safeguards the well-being of the verifier team.

This section outlines SLCP's requirements in terms of ethics, Verifier behavior and competencies, and personal and facility safety.

#### **Prohibition on Sales**

At no time should Verifiers engage in selling consulting or other services by their organization.

#### **Confidentiality**

All information shared between the Verifier and a facility worker or manager and all information the Verifier gathers in the course of his or her verification is the property of the facility and must be kept strictly confidential. Such confidential information can be shared only within verified assessment reports and to parties designated by the facility. Verifiers may not e-mail or give hard copies of the verified assessment template or report to any party other than the applicable Accredited Host and/or SLCP administrator in instances where technical failure has occurred.

## **Impartiality**

The Verifier must maintain impartiality at all times in carrying out the verification. He or she must not take sides, or appear to be taking sides in the event of any dispute at a facility. All complaints by facility workers, managers and/or third parties are to remain allegations until they have been properly investigated and objective evidence is found to support the claim(s).

The Verifier must disclose if they have had any personal or professional affiliation or relationship with the employment site that is subject of the assessment.

## **Respectfulness and Professionalism**

The role of a Verifier is to effectively and impartially gather information which requires listening to the perspectives, opinions, and comments of all stakeholders regardless of their position within the facility.

Verifiers must be respectful of facility owners, managers, production workers, and other persons who may be involved in the verification process. Verifiers must be sensitive and respectful of gender, racial, cultural, and socio-economic issues. Acting in a demeaning, confrontational, or harassing manner to any persons before, during, or after an assessment will not be tolerated. Verifiers must possess effective listening skills and awareness of non-verbal communication.

Verifiers must always be courteous, conscientious and be generally business-like in demeanor in the workplace. Verifiers must dress and act in a professional manner at all times. Verbal or physical altercations of any type will not be tolerated between Verifiers and facility workers or management/ owners

## **Personal Safety**

There may be cases where travelling alone is not considered safe due to local conditions, gender, or other reasons. In these cases, additional personnel or escorts should be included as part of the verification team. Verifiers that feel unsafe visiting a facility alone must notify their supervisor.

## **Facility Safety**

SLCP believes that Verifiers, whether internal or external, are ambassadors for the entire program. The expectation is that they demonstrate the highest level of professionalism and execute the work in the highest quality manner, taking every measure required to be safe and ensure the safety of others. It is the responsibility of the Verifier to act in a safe manner

when onsite at a facility. Verifiers must exercise best judgment and must not proceed if they feel unsafe.

## **VBs want to ensure that Verifiers:**

- Perform all duties in accordance with applicable federal, state, provincial, regional, and other applicable health and safety regulations.
- Follow all site-specific (e.g. facility) safety rules and requirements.
- Act in a safe manner at all times including wearing appropriate clothing and personal protective equipment (PPE) where deemed necessary (hats, suits, gloves, eye protection, etc.). The following PPE is recommended in the following cases. When in doubt, act with caution:
  - Foot protection/ safety footwear (whenever there is risk of crushing or heavy objects dropping onto feet or whenever there is a risk of slipping (e.g. wet areas))
  - Eye protection in areas with potential for flying objects or splashing of chemicals
  - Head protection in areas with the risk of fall hazards
  - Noise PPE to reduce exposure in certain circumstances
- If available, all Verifiers should locate and review the facility or building safety rules/ plans to understand site specific safety risks that may apply within the specific location/ building being visited. Be aware of potential high noise areas
- Watch for machinery or other electrical devices that are not properly plugged in and be aware of frayed or exposed electrical wires. Never touch any electrical fixtures or wires that appear unsafe
- Prior to conducting any inspections that involve heights, or going on rooftops, ensure safety measures are in place, such as safety harnesses
- Refrain from touching, smelling, or making contact with chemicals. Be aware of chemicals around the facility and use judgment when interacting with these chemicals
- Always be aware of machinery and/or tools with rotating parts.

## **Ethics**

### ***Anti-bribery requirements***

Gift Policy Accepting gifts of any value from facility managers, workers or others related to the verification is inappropriate and is not permitted. Exceptions to the rule may include accepting offers for water, soft drinks, tea, coffee and snack food similar to the kind and value consumed regularly by those who are offering it.

SLCP adheres to a strict policy against bribery. In the event that a Verifier is offered money, gifts or other unsolicited items, the following procedure must be followed:

1. Refuse the offer immediately, and explain that such a practice is strictly prohibited by SLCP's Code and SLCP's Anti-Bribery Policy;
2. Take a photo of the item, if possible;
3. Contact the VB and/or VOO to report the incident and seek further guidance (based on the advice given, either abort the assessment or proceed with the verification. If the Verifier feels threatened or intimidated in any way, the verification should be aborted).

## **Acceptance of Lunch and Travel**

Verifiers must never allow management to take them out for lunch during an assessment nor accept payment for lunch. If the facility orders lunch, Verifiers must pay them back for the lunch and explain that this is SLCP policy. Rides may be accepted to and from the facility only when there is no other option. When the Verifier(s) arrive at the facility, their behavior should reflect that of an independent third party. If workers see a Verifier coming out of a facility owned vehicle, workers may believe that they are working for the management and are therefore not independent. If there is a security concern with transportation or, during any other part of the Verification, the Verifier must contact his or her Verifier Body.

## **Professional Conduct**

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### ***Conflicts of interest and impartiality***

SLCP verifications must be impartial and avoid conflicts of interest that, in fact or in appearance, may create an incentive to report anything other than the true and accurate facts gathered during the SLCP verification.

### ***Corruption***

Verifier Bodies shall manage risks and ensure compliance with all applicable laws related to corrupt practices.

### ***Integrity***

Members must promote a culture of integrity to address audit integrity and bribery risks that may exist before, during and after each social compliance audit.

### ***Confidentiality***

Members must maintain confidentiality with respect to information gathered while executing a social compliance audit, in order to minimize the possibility of inadvertent disclosure, and take reasonable steps to prevent unauthorized access to information collected during or relating to an audit.

## **Competence**

### **Personnel**

Verifier Bodies shall only deploy social compliance audit personnel (whether direct employees or independent contractors) who demonstrate, at a minimum, the relevant knowledge, skills and attributes outlined in the SLCP Competency Framework, and are going to act in accordance with the Code.

### **Supervision**

Verifier Bodies shall ensure all their personnel are adequately supervised to ensure all work is performed as directed and supports the verified assessment data.

## **Verified Assessment Data and Records**

### **Report Generation and Submission**

Verifier Bodies shall ensure an accurate, concise, and clear verified assessment report, signed off by an SLCP approved Verifier and Verifier Body, is provided to the facility.

### **Supporting Documents**

Verifier Bodies shall ensure each verified assessment report is supported by evidence demonstrating the work performed in sufficient detail to support the information deemed as accurate or inaccurate in the final dataset.

### **Handling of Sensitive Information**

Sensitive issues, such as abuse or harassment which may lead to retaliation against workers, or attempts to bribe, threaten or coerce Verifiers shall be handled with utmost care to protect workers and Verifiers.

### **Record Management**

Verifier Bodies shall have systems in place to ensure all data is collected, stored and transferred in compliance with applicable law, is secure and only accessible by authorized persons.

### **Obligations to SLCP and VOO**

Transparency with SLCP and the Verification Oversight Organization (VOO) Upon request by SLCP and/or the VOO, true and accurate information shall be made available by Verifier Bodies to verify conformance with SLCP expectations.

### **Accountability**

Verifier Bodies shall develop and uphold principles which reflect integrity and professional ethical behavior as outlined in this document. They will comply with all applicable laws and regulations, policies and procedures, follow professional business practices, and have processes in place for handling complaints and appeals.

## **Verifiers**

In SLCP's Competency Framework, Verifiers are committed to act in accordance with items in this document. All Verifiers, shall comply with all relevant legislation, policies and procedures, and maintain the integrity of the Code Verifiers are only able to carry out verification as part of an approved Verifier Body.

## ***Obligations of SLCP and VOO***

### **Privacy and Data Protection**

SLCP and VOO shall only collect information from Verifiers and Verifier Bodies that is necessary to determine their eligibility to participate in SLCP. This information will only be accessed by SLCP and selected VOO employees as required in the execution of their duties, unless express permission is given by the Verifier or Verifier Body. SLCP complies with international data collection, privacy and security standards requirements, and ensures all information is collected and maintained in a way which protects the privacy of the Verifiers and Verifier Bodies.

### **Openness**

SLCP and VOO will provide public access to, or disclosure of, appropriate and timely information about the SLCP process, and status (i.e. the granting, extending, maintaining, renewing, suspending, reducing the scope of, or withdrawing of permission to act) of any Verifier, in order to gain confidence in the integrity and credibility of the process. Openness is a principle of access to, or disclosure of, appropriate information.

## Appendix IV: APSCA Code of Conduct

### 1. INTEGRITY

- 1.1 Conflicts of interest and impartiality:** *Members providing social compliance audit services must be impartial and avoid conflicts of interest that, in fact or in appearance, may create an incentive to report anything other than the true and accurate facts gathered during a social compliance audit.*
- 1.2 Ethics:** *Members must demonstrate a high standard of ethics and promote a culture of honesty in day-to-day operations.*
- 1.3 Corruption and Bribery:** *Member Firms must have a defined zero tolerance approach to corruption and bribery. Member Firms shall have a system in place to identify risks and manage compliance to ensure it meets with all applicable laws relating to corrupt practices.*
- 1.4 Confidentiality:** *Members must maintain confidentiality with respect to information gathered while executing a social compliance audit, and take all reasonable steps to prevent unauthorized access to, or inadvertent disclosure of, information collected during or relating to an audit.*

### 2. COMPETENCE

- 2.1 Personnel:** Member firms shall only deploy social compliance audit personnel (whether direct employees or independent contractors) who demonstrate, at a minimum, the relevant knowledge, skills and attributes outlined in the APSCA Competency Framework, and are going to act in accordance with the Code.
- 2.2 Supervision:** *Member Firms shall ensure all their personnel are adequately supervised to ensure all work is performed as directed and supports the conclusions reached.*

### 3. REPORTING AND RECORDS

- 3.1 Report Generation and Submission:** *Members shall ensure an accurate, concise, timely, clear audit report, following the format/ methodology of the program being audited against. The report must be signed off by an APSCA Certified Social Compliance Auditor (CSCA) working for an APSCA Member Firm, is provided to the client and/ or audit requestor.*
- 3.2 Supporting Documentation:** *To the extent that it does not conflict with applicable law, Member Firms shall ensure each audit report is supported by documentation, which evidences the work performed in sufficient detail to support the conclusions in the audit report.*

- 3.3 Handling of Sensitive Information:** Sensitive issues which may lead to retaliation against workers, or attempts to bribe, threaten or coerce *Member Auditors* shall be handled in a manner which protects workers and Member Auditors.
- 3.4 Record Management:** *Member Firms* shall have systems in place to ensure all data is collected, stored and transferred in compliance with applicable law, is secure and only accessible by authorized persons.

## 4. OBLIGATIONS OF MEMBERS

- 4.1 Transparency with APSCA:** Upon request by APSCA, true and accurate information shall be made available by *Member Firms* to verify conformance with the expectations in the *Code*.
- 4.2 Accountability:** In APSCA's Competency Framework, *Members* are committed to act in accordance with this *Code*. All *Members*, shall comply with all relevant legislation, policies and procedures, and maintain the integrity of the *Code* at all times. Failure to do so, may result in the suspension or loss of APSCA Membership in the case of the *Member Firm* and certification/ registration for the *Member Auditor*.
- 4.3 Policies and Systems:** *Member Firms* shall maintain policies and systems which demonstrate integrity and professional ethical behaviour as outlined by this *Code*. They will comply with all applicable laws and regulations, policies and procedures, follow professional business practices, and have processes in place for handling complaints and *appeals*.
- 4.4 Inform:** Any APSCA *Member* who is aware of another APSCA *Member* or *audit personnel* who has committed a violation of APSCA's Code of Professional Conduct (*Code*), must inform the *Member Firm* for which the audit was conducted or APSCA.
- 4.5 Audit Team:** Each audit team, shall have a minimum of one (1) *CSCA*. Audit Teams may consist of an *ASCA* who is supporting the audit under supervision of the *CSCA*. Auditors are able to sign off on an audit as a *CSCA* if they are conducting an independent audit on behalf of an APSCA *Member Firm* who takes responsibility for the process.

## 5. OBLIGATIONS OF APSCA

- 5.1 Privacy and Data Protection:** APSCA shall only collect information from *Members* which is necessary to determine the level of the auditor to maintain membership and to be in alignment with APSCA's Data Security Policy. This information shall be accessed fully only by APSCA employees as required in the execution of their duties, unless express permission is given by the *Member Auditor* or *Member Firm*. APSCA complies with international data collection, privacy and security standards requirements, and ensures all information is collected and maintained in a way which protects the privacy of the *Member Auditor* and/ or *Member Firm*. **Any information reviewed during an investigation of a *Member* will be protected. For more information on APSCA's Data Security Policy, visit [www.theapsca.org](http://www.theapsca.org).**
- 5.2 Transparency:** APSCA shall provide public access to, or disclosure of, appropriate and timely information about its certification process, and status (i.e. the granting,

extending, investigating, maintaining, renewing, suspending, reducing the scope of, or withdrawing of certification) of any *Member*, gain confidence in the integrity and credibility of the process. Transparency is a principle of access to, or disclosure of, appropriate information.

**5.3 Duty to Act:** APSCA will uphold and promote the values outlined in the *Code*. Allegations, of misconduct against this *Code*, will be followed-up as per APSCA's Incident Protocol.