SCAN Immersive Auditing: Technology and methods for remote auditing of global supply chains

July 2023

The SCAN Association and BSI Innovation has requested BSI Standards Ltd to provide expert services in relation to the development of this private standard. This included undertaking domain research to understand how this standard relates to other national/international standards and identification of relevant stakeholders; identification and formation of an external review group; creation of an initial draft standard; building consensus with the review group resulting in an update to the standard and publishing of the final version.

The British Standards Institution (BSI) is a Royal Charter Company and was the world's first National Standards Body. BSI is appointed by Government as the UK National Standards Body and represents national interests at the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC) and the European Standards Organizations (CEN, CENELEC and ETSI).

This standard is not to be regarded as a British Standard or a Publicly Available Specification.

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Introduction

The Supplier Compliance Audit Network (SCAN) is an industry trade association that provides a systematic audit approach whereby mutually acceptable global compliance standards are achieved in reducing audit and operational redundancy for common supply chain stakeholders. A key strategic intent is to reduce recurring annual cost and number of supply chain security audits conducted on global suppliers and factories each year on behalf of the members of the SCAN Association.

This Immersive Audits Standard was developed by BSI's Innovation Group in partnership with the SCAN Association. BSI Innovation is committed to innovating around BSI's purpose. The group incorporates technology into the BSI business and the broader audit and compliance sector to disrupt service delivery models and increase client trust. These technologies help BSI's clients become future ready and extends BSI's commitment around the organization's purpose.

SCAN has established a single agreed-upon security audit and sharing platform that allows importers to conduct and evaluate shared CTPAT-compliant (Customs-Trade Partnership Against Terrorism) supplier and factory security audits, which fulfils the "business partner vetting" aspects of the CTPAT minimum security criteria.

Immersive auditing is similar to remote auditing. One key difference is that an immersive audit uses additional technologies as key resource when conducting the audit activities. Remote auditing is a type of audit recognized by international standards such as ISO 19011 and ISO/IEC 17021-1, published in 2018 and 2015, respectively.

In recent years, organizations have been looking for more efficient ways to interact with their supply chain partners. Advances in information and communication technology (ICT)[1)] have allowed this to happen. Auditing with the support of these technologies has been incorporated partially or in full by audit teams in different parts of the world. Since 2020, the global pandemic has accelerated the inclusion of immersive audits to maintain the level of compliance and assurance in different fields and sectors. Immersive auditing practices have been implemented in all levels of audits: first, second and third party.

The value of an immersive auditing method resides in its potential to provide:

a) flexibility in achieving the audit objectives;
b) opportunities for digitizing an audit;
c) improved validation capabilities including optical character recognition, measurements, telestration, photographic evidence, etc.;
d) a reduction of C02 emissions; and aides in ESG net zero goals; and
e) the ability to incorporate immersive tech with other aspects of SCAN audit criteria including AI Computer Vision, IoT, CCTV and various sensors.

In order to realize the benefits of this audit method, all interested parties need to be aware of their role in the process, inputs, expected outputs, and risks and opportunities that provide the basis to achieve the audit and audit program objectives.

Immersive audits are supported by technology. As technology becomes more sophisticated, it is important to be able to use it to optimize the immersive audit effectiveness and efficiency, and to support and maintain the integrity of the audit process.

[1)] Throughout the document, information and communication technology (ICT) will be referred as "technology".

The technology is used for gathering, storing, retrieving, processing, telestration, analyzing and transmitting information, including the level of quality of this information. It can include software and hardware such as smartphones, handheld devices, laptop computers, desktop computers, drones, video cameras, wearable technology, calling app technology, and others. The use of this technology can be appropriate for auditing both locally and remotely.

NOTE BSI uses approved SCAN technologies during the SCAN immersive audits (see Annex A).

Examples of the use of technology during immersive audits include but are not limited to:

1) meetings by means of teleconference facilities, including audio, video and data sharing;
2) audit of documented information by means of remote access;
3) recording of information and evidence by means of video or audio recordings; and
4) providing visual/audio access to remote or potentially hazardous locations.

Technology has made immersive auditing more feasible. These techniques are transforming the way people work, and allows sites and people to be audited remotely, shortening distances, travel time and costs, reducing the environmental impact associated with audit travel, adapting audits to different organizational models. Technology can help to increase the size or quality of sampling in the audit process, when prepared, validated and used properly.

On the other side, however, the limitations and risks posed by technology in the fulfilment of audit objectives also need to be considered during the planning of the immersive audit. During the pre-audit technology orientation and training these limitations and risks are addressed.

An organization adopting the best practices recommended in this standard would have immersive audits addressing audit criteria based on SCAN directives, such as applicable CTPAT requirements.

This standard is divided in three main sections that provides best practices related to immersive audits:

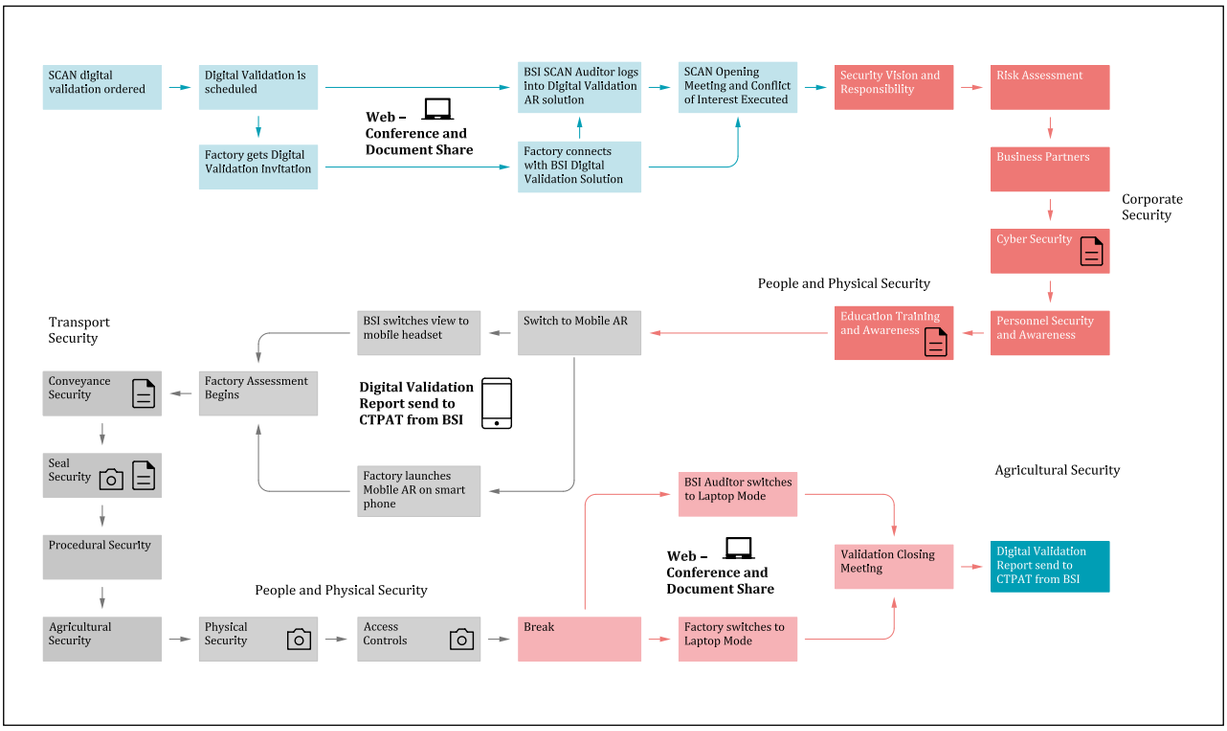
- planning an immersive audit;
- conducting an immersive audit; and
- reporting an immersive audit.

Figure 1 provides an overview of the SCAN immersive audit workflow.

Annex A includes specific guidance related to the technology currently used and recognized by SCAN and a brief description of applicable requirements to be considered when establishing the audit criteria for an immersive audit.

Annex B includes information related to the questionnaire used when conducting the SCAN immersive audit.

Figure 1 – SCAN immersive audit workflow



1 Scope

This standard gives requirements for immersive auditing, focusing on the planning, conducting, and reporting activities.

It is applicable to all organizations that need to plan and conduct immersive supplier and factory security audits based on applicable CTPAT Minimum Security Criteria.

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes provisions of this document.[2)] For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 19011, *Guidelines for auditing management systems*

3 Terms and definitions

For the purposes of this standard, the terms and definitions given in ISO 19011 and the following apply.

3.1 audit

systematic, independent and documented process for obtaining objective evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled

NOTE 1 Internal audits, sometimes called first-party audits, are conducted by, or on behalf of, the organization itself.

NOTE 2 External audits include those generally called second- and third-party audits. Second-party audits are conducted by parties having an interest in the organization, such as customers, or by other individuals on their behalf. Third-party audits are conducted by independent auditing organizations, such as those providing certification/registration of conformity or governmental agencies.

[SOURCE: ISO 9000:2015, **3.13.1**, modified]

3.2 auditee

organization as a whole or parts thereof being audited

NOTE An auditee can be a person, a facility or a factory.

[SOURCE: ISO 9000:2015, **3.13.12**, modified]

3.3 immersive audit

audit with the use of Level 1 remote technology along with either Level 2 or Level 3 immersive technology whose activities are performed at any place other than the location of the auditee, regardless of the distance

NOTE 1 Alternative terms are remote or virtual audit.

[2)] Documents that are referred to solely in an informative manner are listed in the Bibliography.

NOTE 2 Immersive audits refer to the interactive use of technology to gather information, witness a process, assess controls, interview an auditee, etc., when "face-to-face" methods are not possible or desired.

3.4 risk

measure of potential harm from an undesirable event that encompasses threat, vulnerability, and consequence

NOTE What determines the level of risk is how likely it is that a threat will happen. A high probability of an occurrence usually equates to a high level of risk. Risk might not be eliminated, but it can be mitigated by managing it – lowering the vulnerability or the overall impact on the business.

[SOURCE: CTPAT Minimum Security Criteria – U.S. Importers [1]]

4 Planning an immersive audit

4.1 Establishing contact with the auditee

The assigned service provider responsible for managing the immersive audit must establish contact with the auditee to:

a) confirm the authority to conduct the immersive audit;
b) request access to relevant information for determining audit risks and opportunities and for planning and preparation purposes;
c) determine applicable statutory and regulatory requirements, and other requirements relevant to the activities, processes, security controls, products and services of the auditee;
d) confirm the agreement with the auditee regarding the extent of the disclosure and the treatment of confidential information;
e) agree on the attendance of observers and the need for guides for the audit team, with a site or factory map being provided for planning purposes;
f) determine any areas of interest, concern or risks to the auditee in relation to the immersive audit;
g) resolve issues regarding composition of the audit team with the auditee or audit client;
h) make arrangements for the immersive audit including the schedule;
i) confirm and test whether the site has adequate bandwidth and technology to support an immersive call;
j) provide training or guidance on how to use technology devices when the auditee or client is intended to command immersive equipment for the scheduled audit;
k) determine if the immersive audit is feasible; and
l) ensure all arrangements to conduct the audit are addressed.

NOTE The contact with the auditee might need more than one interaction. Usually, these interactions would be conducted remotely.

4.2 Determining feasibility of the immersive audit

The feasibility of the immersive audit must be determined, taking into account factors such as the availability of the following:

a) sufficient and appropriate information for planning and conducting the immersive audit;
b) adequate cooperation from the auditee;
c) adequate time and resources, including the required technology, for conducting the immersive audit;
d) adequate bandwidth and connectivity at the auditee or client facility to conduct the immersive audit with a stable and clear connection; and

e) digital quality of the data to be reviewed, when needed.

NOTE The digital quality of the data is relevant when the organization still retains information on paper that needs to be scanned for remote review.

Where an immersive audit is not deemed to be feasible, an alternative must be proposed to the audit client, in agreement with the auditee.

4.3 Preparing audit activities

4.3.1 Determining risks and opportunities

The SCAN Association and the assigned service provider are responsible for managing the immersive audit program. They must analyse and evaluate the complexity and the context of the auditee's processes, including security controls, where the immersive audit is to be conducted and ensure standards meet this standard's criteria prior to receiving certification.

The analysis and evaluation must focus on:

a) the characteristics of the auditee processes, including the provided products and services;
b) information on existing controls to manage security;
c) applicable requirements to the auditee's relevant processes;
d) external and internal information that describes current and past performance of the controls to manage security;
e) current auditee capabilities to use the agreed technology during the immersive audit; and
f) specific connectivity and physical conditions that can affect the immersive audit.

NOTE Examples of connectivity and physical conditions to be considered:

- *low bandwidth;*
- *legislation restricting streaming data or information between geographic locations;*
- *facilities located underground;*
- *facilities located in remote areas;*
- *lack of WiFi infrastructure or low bandwidth at the facility;*
- *facilities with thick concrete walls;*
- *facilities housing equipment that might interfere with WiFi signals; and*
- *open outdoor areas.*

4.3.2 Determining audit resources

4.3.2.1 General

The assigned service provider managing the immersive audit must select and determine the technology needed to conduct the immersive audit (Level 2 or Level 3; see 4.3.2.2) and be approved by SCAN. Assigned service providers must verify that auditors are competent and certifed to use the SCAN-approved technology. Auditors must be trained and certified in accordance with applicable SCAN immersive audit requirements before conducting an audit.

When selecting the technology, the following points must be taken into account:

a) confidentiality and security issues, as well as data protection;
b) statutory and regulatory requirements, which might require additional agreements;

c) technology and infrastructure requirements needed for the use of the technology during the immersive audit;
d) the competence needs of any person participating in the immersive audit regarding the use of the technology;
e) agreement on obtaining evidence through the technology (e.g. photographs taken with the technology during the audit); and
f) agreement on where evidence collected through the technology is stored.

To prepare for the use of technology during the immersive audit, all statutory and regulatory requirements related to confidentiality, security and data protection must be determined and actions taken to enable their effective implementation.

Evidence of agreements related to the technology to be used during the immersive audit, including confidentiality, security and data protection criteria, must be made available.

Immersive technology must include the following calling app features:

- location verification (geo plotting within app or other means);
- two-way call encryption;
- doesn't sell data to a third party;
- guest invite functionality;
- high-resolution photo functionality;
- telestration functionality;
- capture photos;
- screenshare functionality;
- ability to upload photos/documents;
- group conference functions; and
- ability to use application with no software download requirements.

4.3.2.2 Immersive levels

Different levels of technology can be used and can involve a combination of Level 1 through to Level 4, depending on the type of audit. The following points must be taken into account when determining these levels as technology resources for the immersive audit.

a) **BSI Level 1™:** Remote communication using PC or laptop computer through a video teleconferencing software program. This method allows screen sharing and remote review of documents. L1 technology is used at the opening of the meeting and for all documentation reviews prior to the L2 or L3 Immersive site assessment.

b) **BSI Level 2™:** Remote communication using mobile devices such as smart phones or tablets. These devices can provide a live video and audio feed that allows the auditee and auditor to communicate on the facility floor. The auditor can record data in the form of audio recordings, photographs and video through the Level 2 device.

c) **BSI Level 3™:** Remote communication using a smart glass device. This device allows the Immersive Field Technician to live stream audio and video to the auditor using a handsfree device. The device can be worn with Personal Protective Equipment (PPE) and is voice activated for hands free operation. Similar to Level 2, the auditor can record data in the form of audio recordings, photographs and video through the Level 3 device.

d) **BSI Level 4™:** This level of technology includes the ability to fly a drone over a facility to record high resolution imagery, recording flight video with the drone, and creating a 360-image scan of a facility with a portable 360 camera.

During an immersive audit, multiple levels of technology must be leveraged in order to visualize areas where applicable of the supplier facility. Level 1 must be used for all conference room aspects of the audit and document sharing. Level 2 or Level 3, the immersive components of the audit must be used for the field-based aspects of the audit captured in Figure 1.

The capabilities of these levels of technology might be subject to change as technology develops and becomes more sophisticated.

NOTE For audit activities traditionally conducted in a conference room, such as opening meetings, closing meetings, and procedural review, Level 1 technology can be used. For audit activities conducted through site tour, either Level 2 or Level 3 technology can be leveraged to ensure that the auditor is able to view all portions of the facility. The capabilities of these levels might be subject to change as technology becomes more sophisticated. Future functionality could include live sensors that feed continuous information to the auditor during and after the audit. Level 4 technology is not used in SCAN immersive audits.

4.3.3 Selecting audit team members

The assigned service provider managing the immersive audit must appoint the members of the audit team, including any technical experts or other specific roles needed for the specific immersive audit.

An audit team must be selected, taking into account the competence needed to achieve the objectives of the immersive audit within the defined scope.

If the necessary competence is not covered by the auditors in the audit team, technical experts with additional competence must be made available to support the team.

For an immersive audit, the following roles must be assigned when establishing the audit team.

a) Immersive Escalation Point of Contact – Competent in using multiple levels of immersive technology. Schedules and conducts auditee/client training on how to use technology devices. Schedules audit invitations through the technology. Can facilitate and troubleshoot any technical issues that might arise during the immersive audit.
b) Auditor – Knowledgeable about and understands the subject matter of the audit. Conducts the immersive audit. Delivers the reports and findings from the audit.
c) Factory Site Representative – Factory representative wearing or using the technology device during the immersive audit in order to remotely connect with the auditor. Is competent at using the Immersive technology devices. Has a general understanding of the facility in order to navigate areas of interest during the audit.

4.3.4 Audit planning

The amount of detail provided in the audit plan must reflect the scope and complexity of the immersive audit.

NOTE A Pre-Audit Checklist is provided to the facility where the immersive audit will be conducted for their understanding and preparation.

Audit planning must be sufficiently flexible to permit changes, which can become necessary as the audit activities progress.

Audit planning must evaluate the different agreed levels of technology to be used during the immersive audit and must follow the pre-audit questionnaire (see Annex B) and the provisions provided in the pre-audit technology orientation and training.

Audit planning must take into account, as appropriate, technology arrangements, including one or more tests on the use of technology before the immersive audit to confirm that there is a stable connection and audit team and auditees are able to use the technology.

4.3.5 Assigning work to the auditor

Each auditor must be assigned with responsibility for auditing specific processes, activities or functions and, as appropriate, authority for decision-making. Such assignments must take into account the impartiality, objectivity and competence of the auditor, and the effective use of resources, including agreed technology, as well as different roles and responsibilities of auditors and technical experts.

4.3.6 Preparing documented information for the immersive audit

The auditor must collect and review the information relevant to the audit assignments and prepare documented information for the immersive audit, using any media that can be used along with the agreed technology.

The use of these media must not restrict the extent of audit activities, which can change as a result of information collected during the immersive audit.

Once the immersive audit is complete, the auditor must delete from their system or remove access to any documented information and records not required to be retained as objective evidence, following the applicable SCAN and service provider protocols.

According with relevant SCAN policies, documented information prepared for, and resulting from, the immersive audit must be retained and suitably safeguarded.

4.3.7 Communicating the audit plan

The assigned service provider conducting the immersive audit must communicate in advance the audit plan to the auditee, including the risks and opportunities determined that can affect the audit activities and its results.

Any issues with the audit plan must be resolved between the audit team, the auditee and, if necessary, the assigned service provider overseeing the immersive audit.

5 Conducting an immersive audit

5.1 Assigning roles and responsibilities of guides and observers

Any guides and observers who wish to accompany the audit team must be approved by the SCAN board, the service provider audit team, BSI audit management team with the audit provider being made aware of the observed audit in advance. Observers must not influence or interfere with the conduct of the immersive audit.

For observers, any arrangements for access, security and confidentiality must be managed between the assigned service provider managing the immersive audit and the auditee.

NOTE A SCAN Board Member or representative can participate as an observer during the immersive audit.

5.2 Pre-audit meeting and technology orientation

At least two days before the immersive audit, a pre-audit meeting and technology orientation must be scheduled to:

a) verify basic knowledge of process and technology tools;
b) test the connection between auditor and auditee, and any assigned observer;
c) receive basic information of facility (i.e. layout plan);
d) brief auditee on immersive audit plan (agenda) and expectations; and
e) confirm all audit documents will be received within an agreed time prior to the day of the actual immersive audit opening meeting, including the SCAN Conflict of Interest document for facility signature.

5.3 Conducting an opening meeting

An opening meeting must be held with the auditee's management and, where appropriate, those responsible for the functions or processes to be audited. During the meeting, an opportunity to ask questions must be provided.

The opening meeting must be conducted remotely with the aid of appropriate Level 1 technology. In the opening meeting the SCAN-signed conflict of interest and antibribery document must be given to the SCAN audit provider.

The degree of detail must be consistent with the familiarity of the auditee with the audit process and the use of the agreed technology.

The meeting must be formal and records of attendance must be retained.

If other participants, including observers and guides, and interpreters, are attending the meeting, an outline of their roles must be introduced by the audit team.

Confirmation of the following items must be obtained, as appropriate:

a) the audit plan and other relevant arrangements with the auditee, such as the date and time for the closing meeting, the agreed technology to be used, any interim meetings between the audit team and the auditee's management, and any change(s) needed;
b) confirm the agreement of all participants (e.g. auditee, audit team) to the audit plan and ensure that all planned activities of the immersive audit can be performed;
c) introduce the audit team and their roles;
d) formal communication channels between the audit team and the auditee;
e) the language to be used during the immersive audit;
f) the auditee being kept informed of audit progress during the immersive audit;
g) the availability of the resources and facilities needed by the audit team;
h) the need for small breaks before and after the interviews;
i) matters relating to confidentiality and information security;
j) the permission previously authorized for taking screenshots of information shared on screen by the auditee as evidence;
k) the acknowledgement by the attendees of the agreed technology to be used in the immersive audit;
l) a digital site map of the facility; and
m) using the technology, detailed view of the facility must be showed during the immersive audit and the auditor has the right to walk around, turn around, or move at any point.

Any final technical questions or concerns must be addressed before the end of the opening meeting.

Information on the following items must be presented, as appropriate:

1) the method of reporting audit findings;
2) conditions under which the immersive audit can be stopped and re-scheduled;

   NOTE Connectivity problems can be one of the conditions to terminate the immersive audit.

3) how to deal with possible findings during the immersive audit; and
4) any system for feedback from the auditee on the findings or conclusions of the immersive audit, including complaints or appeals. These are handled through SCAN's Corrective Action process managed by the SCAN Program Management Team outlined in SCAN's Closing Meeting Document. The Assigned Audit Service Provider will refrain from discussing audit findings per SCAN's guidance.

5.4 Communicating during an immersive audit

The audit team must confer periodically to exchange information, assess immersive audit progress and reassign work between the audit team members, as needed.

Where the available audit evidence indicates that the audit objectives are unattainable, the audit team must report the reasons to the assigned service provider and the auditee to determine appropriate action.

NOTE Such action might include changes to audit planning, the audit objectives or audit scope, or termination of the immersive audit.

Any need for changes to the audit plan which might become apparent as auditing activities progress must be reviewed and accepted, as appropriate, by the assigned service provider managing the immersive audit and presented to the auditee.

5.5 Audit information availability and access

An access period to the documented audit information must be agreed before the audit and the access permissions eliminated after the end of this period.

The use of technology for an immersive audit depends on the defined audit objectives, scope and criteria, as well as duration and location. The location is where the information needed for the specific immersive audit activity is available to the audit team. When conducting the immersive audit activities, the auditor might need to request the auditee provide access to information using the agreed technology.

Where, when and how to access audit information is crucial to the immersive audit. The access can be on real time during the interview or at any time before or after the immersive audit. This is independent of where the information is created, used and/or stored.

5.6 Reviewing documented information while conducting the immersive audit

All documents must be provided electronically, via either screenshare or digital document transfer, by the auditee.

In cases where the documents are paper based, the auditor must request to see the entire landscape of the document to verify the document. The auditor must also take a photo of the document, not a screenshot, to focus on the text of the document further.

NOTE 1 In order to photograph the documents, all certification bodies should deploy digital calling software that can take native photos and save in either JPG or other commonly accepted photo file types. Screenshots of the audit video are not acceptable to replace the photographs.

The auditee's relevant documented information must be reviewed, on real time using the agreed technology and approved software, to:

a) determine the conformity of the auditee's processes, including security controls, as far as documented, with audit criteria;
b) gather information to support the audit activities;

c) for records/reviewing, auditor requires the facility to demonstrate records to show the overall maintenance; and
d) randomly sample documents and one picture taken for each record reviewed for evidence. These pictures must be attached to the final report.

NOTE 2 The review may be combined with the other audit activities and may continue throughout the immersive audit, providing this is not detrimental to the effectiveness of the conduct of the immersive audit.

5.7 Collecting and verifying information

5.7.1 General

During the immersive audit, information relevant to the audit objectives, scope and criteria, including information relating to interfaces between functions, activities and processes must be collected by means of appropriate sampling and must be verified, as far as practicable.

Only information that can be subject to some degree of verification should be accepted as audit evidence. Where the degree of verification is low, the auditor must use their professional judgement to determine the degree of reliance that can be placed on it as evidence. Audit evidence leading to audit findings must be documented as per the SCAN audit questionnaire. If, during the collection of objective evidence, the audit team becomes aware of any new or changed circumstances, or risks or opportunities, these must be addressed by the team accordingly.

The auditee must acknowledge the technology used by the audit team for obtaining audit evidence during the immersive audit.

Methods of collecting information must include, but are not limited to the following:

a) interviews;
b) observations;
c) photographic evidence;
d) audio or video recordings using agreed technology;
e) messages using agreed technology; and
f) review of documented information.

When using technology to interview auditees, the audit team must record the name and function of the interviewed persons and inform them what information is being retained. When conducting interviews remotely, the auditor must verify statements of fact against other evidence. These must be asked for and analysed by the auditor. If they are sent via email, the auditor must determine the level of confidentiality required for those documents. The auditor must ensure the interviewee is not coached with answers to questions by any other party attending the live session.

If the auditor is auditing remotely off site, they must request that all measures are taken to avoid interruptions or disturbance. Similarly, when there are breaks, the sound must be muted and the image switched off to ensure privacy.

When using video for watching online live images of remote sites, the organization must demonstrate veracity of images. The evidence and the way it was collected must be recorded.

The factory representative who wears or handles the technology equipment must have a good overview of the facilities, equipment, operations, controls on the site in order to help facilitate the audit.

NOTE 1 Being seated and using the screen continuously can be tiresome. Allowing small intervals for stretching legs and reducing eye strains helps to enhance attention when receiving feedback.

NOTE 2 It is acceptable for the auditor to inform the auditee when an interruption is required to read and analyze information that has been provided. This allows for increased understanding of the documentation and evidence that has been presented and for determination of additional questions prior to reconvening the interview.

If time is spent on issues such as network downtime, unexpected interruptions or delays, accessibility problems or other technology challenges, this time must not be counted as audit time. Provisions for allowing sufficient audit time must be established.

Images and videos collected during the course of an immersive audit must be clearly labelled and stored in the proper data storage location.

5.7.2 Facility tour review

The facility tour must show all site areas via mobile device including shipping and receiving, container storage, all access gates, security guard stations, perimeter, parking areas, loading areas, warehouses, sealed storage areas, shipping clerk office, packing workshops, CCTV control room, server room, pest control facilities, vehicle parking lot, and 7-point inspection tools.

The layout plan can be used by both auditor and facility to direct the route and avoid any missed locations.

During the tour, the facility must provide onsite documents as per auditor requests by capturing with mobile device.

The auditor must use photo feature to record any nonconformity to requirements. Photographs should be captured as prescribed per requirement.

5.7.3 Interview of facility representatives

5.7.3.1 General

Interviews must be conducted via the auditor's computer and the facility representative's Level 2 mobile device or Level 3 smartglass device.

The onsite tour interview process must be at least 10 meters away from facility representative to avoid any potential conflict (e.g. coaching).

The auditor must be able and encouraged to confirm the interviewee is free from external influence by:

a) requesting a 360-view of interview environment;
b) not being encouraged by a consultant or superior of the auditee's firm; and
c) confirming that the interviewee is not using any external earphones or other equivalent device.

5.7.3.2 360-degree turns

The auditor must request for the site contact to conduct 360 stops at multiple points during the physical tour. This is requested to confirm that the onsite tour guide is not being coached at any point during the audit.

The auditor must request a 360-degree tour at the start, end, and at frequent intervals of the site tour.

During the process, the auditor must monitor for other signs of intrusions, such as earpieces not being used for digital connection, that could take away from the digital connection.

5.7.3.3 Geographical confirmation

During the audit, the auditor must confirm that the geographical location of the digital audit location matches the geographical location of the planned audit location, either via native calling app functionality or through other methods.

At the start of the tour, the factory must be requested to confirm its geographic location.

If the calling app software used by the SCAN assigned service provider does not have native geographical request functionality, geographic location must be confirmed by asking the auditor to use geographic location application on their device to confirm that where the auditor is the same place that the auditor says that they are.

5.7.3.4 Photographic evidence, refusal of video or photo evidence in lieu of physical tours

At the present date, the SCAN program audit process includes the capture of 17 photos per audit. These photos are used as evidence of implementation of many key minimum security components and provide SCAN with the assurance that capital investments have been made in the facility or procedures are documented. These photos are captured during the facility tour using Level 2 or Level 3 technology.

While photos and video evidence are used to support physical tours as supplemental evidence, they must not be accepted in lieu of physical tours.

In order to accept video evidence, the date/time stamp should be present on the video or photo evidence, demonstrating that the video was captured during the date and time of the audit. No other video or photo documentation can be accepted to support the immersive audit.

5.7.3.5 Confirm that audit path aligns with interior map and tour

The auditor must be fully aware at all points of the site tour where the site liaison is located. When entering a new room, the auditor must confirm with the local facility where the site contact is located. The auditor must be able to validate the physical streaming location with the location of the audit map.

While entering a new room, the auditor must confirm what room of the facility the site contact is entering.

If at any point the exact factory location becomes unclear, the auditor must ask the site contact to re-walk the facility, confirming the exact map and path of the facility.

5.8 Conducting closing meeting

Once the factory Level 2 assessment is completed, a closing meeting must be held using Level 1 technology.

The closing meeting must be chaired by the auditor and attended by the management of the auditee and include, as applicable:

a) those responsible for the functions or processes which have been audited;
b) the factory representative; and
c) other members of the factory team.

As appropriate, the following must be explained to the auditee in the closing meeting:

1) advising that the audit evidence collected was based on a sample of the information available and is not necessarily fully representative of the overall effectiveness of the auditee's processes;
2) the method of reporting;

   NOTE 1 SCAN Audit Closing Meeting Letter and Facility Integrity Declaration Form will be sent via email to facility representative.
3) how the audit finding is to be addressed based on the agreed process; and

   NOTE 2 The Corrective Action Plan (CAP) follow up process should be explained and clarified.
4) any related post-audit activities (e.g. implementation and review of corrective actions, addressing audit complaints, appeal process).

Any final technical questions or concerns must be addressed before the end of the closing meeting.

6 Reporting an immersive audit

6.1 Preparing audit report

The audit team must report the audit conclusions in accordance with the directions established by the SCAN Association. The audit report must provide a complete, accurate, concise and clear record of the immersive audit, and must include or refer to the following:

a) audit objectives;
b) audit scope, particularly identification of the organization (the auditee) and the functions or processes audited;
c) identification of audit team and auditee's participants in the audit;
d) dates and locations where the audit activities were conducted;
e) audit criteria;
f) audit findings and related evidence;-

   NOTE To support the evidence, photographs can be included in the audit report.
g) audit conclusions;
h) a statement on the degree to which the audit criteria have been fulfilled;
i) any unresolved diverging opinions between the audit team and the auditee;
j) audits by nature are a sampling exercise; as such there is a risk that the audit evidence examined is not representative; and
k) any impact caused by poor connectivity or other technology limitations.

The audit report can also include or refer to the following, as appropriate:

1) the audit plan including time schedule;
2) a summary of the audit process, including any obstacles encountered that may decrease the reliability of the audit conclusions;
3) confirmation that the audit objectives have been achieved within the audit scope in accordance with the audit plan;
4) any areas within the audit scope not covered including any issues of availability of evidence, resources or confidentiality, with related justifications;
5) a summary covering the audit conclusions and the main audit findings that support them;
6) good practices identified;
7) agreed action plan follow-up, if any;
8) a statement of the confidential nature of the contents; and
9) any implications for subsequent audits.

6.2 Distributing the audit report

The audit report must be issued within a SCAN agreed period of time.

The audit report must be dated, reviewed and accepted, as appropriate, in accordance with the directions established by SCAN.

Feedback from the audit team regarding the use of technology or any other situation that affect the immersive audit, in a positive or negative way, must be given to the assigned service provider managing the immersive audit.

Annex A (informative)
Guidance on ICT recognized by SCAN and overview of applicable statutory and regulatory requirements

A.1 General

ICT equipment and software used to conduct the immersive audit.

- **ICT Software:** Information and Communication Technology software used to connect a mobile device, headset or PC/laptop to an immersive audit.
- **Mobile WiFi Hotspot:** A mobile device or external WiFi hotspot used to connect the ICT device to the remote conference.
- **Power Bank:** An external battery that can be connected to a mobile device or headset to provide backup power.

A.2 Overview of applicable regulatory requirements

A SCAN immersive auditor is expected to be familiar with applicable regulatory requirements. The following references can assist an auditor when preparing an immersive audit. These references are not limited, according to the specific context of the organization to be audited, other requirements can be relevant.

- SCAN audit questionnaire, audit service provider training and certification documents
- Importer Eligibility Requirements: www.cbp.gov/border-security/ports-entry/cargo-security/ctpat/security-guidelines/importers
- Minimum Security Criteria – U.S. Importers October 2021: www.cbp.gov/sites/default/files/assets/documents/2022-May/CTPAT%20U.S.%20Importers%20MSC%20October%202021%20%28508%29.pdf

Annex B (informative)
Pre-audit questionnaire (SCAN Security Audits – Questionnaire Guidance)

Objectives and criteria goals of questionnaire:

- SCAN criteria based on CTPAT Supply Chain Security Requirements;
- attachments and supporting documents.

Ease of auditor use:

- they will view all tasks in “pending activities”;
- they can answer questionnaires, attach documentation, and click submit online for automatic upload.

Ease of business partner use:

- business partners have complimentary access to their own BSI connect account;
- they will view all tasks in “pending activities”;
- they can answer CAPAs, attach documentation, and click submit online for automatic upload.

Bibliography

Standards publications

For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 9000:2015, *Quality management systems – Fundamentals and vocabulary*

ISO/IEC 17021-1, *Conformity assessment – Requirements for bodies providing audit and certification of management systems – Part 1: Requirements*

Other publications

[1] U.S. CUSTOMS AND BORDER PROTECTION. *CTPAT Minimum Security Criteria – U.S. Importers*. October 2021.[2)]

Further reading

IAF MD 4:2018, *IAF mandatory document for the use of information and communication technology (ICT) for auditing/assessment purposes*

[3)] Available at: https://www.cbp.gov/sites/default/files/assets/documents/2022-May/CTPAT%20U.S.%20Importers%20MSC%20October%202021%20%28508%29.pdf.