




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 403732319	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 403841311
Business name (Company name):	ANHUI COOL BABY SCIENCE & TECHNOLOGY DEVELOPMENT CORPORATION		
Site name:	ANHUI COOL BABY SCIENCE & TECHNOLOGY DEVELOPMENT CORPORATION 安徽酷豆丁科技发展股份有限公司		
Site address: <i>(Please include full address)</i>	North Industry Park, Jin'an Zone, Lu'an City, Anhui Province, 安徽省六安市金安区城北工业园	Country:	China
Site contact and job title:	Liu Yong/ System officer		
Site phone:	15656490230	Site e-mail:	liuyong@ah-kdd.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	Jan.8-10, 2020		

Audit Company Name & Logo: SGS-CSTC Standards Technical Services Co., Ltd. 	Report Owner (payer): ANHUI COOL BABY SCIENCE & TECHNOLOGY DEVELOPMENT CORPORATION
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): Nil

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Finn Yin

APSCA number: RA21702004

Lead auditor APSCA status: Registered Auditor

Team auditor: Cathy Wei

APSCA number: ASCA21702065

Interviewers: Finn Yin & Cathy Wei

APSCA number: RA21702004 & ASCA21702065

Report writer: Finn Yin

Report reviewer: Vera Sun

Date of declaration: Jan.10, 2020

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		0	0	Nil
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	2	0	0	Summary of Non-Compliance finding: 1. No safeguard was available for sewing machine. 2. The factory didn't provide the Fire Safety Certificate. Summary of Observation finding: Nil Summary of Good Example finding: Nil
4. Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil
5. Living Wages and Benefits	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	Summary of Non-Compliance finding:

									<p>1. The factory did not provide social insurance for all workers.</p> <p>Summary of Observation finding: Nil</p> <p>Summary of Good Example finding: Nil</p>
6	<u>Working Hours</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	3	0	0	<p>Summary of Non-Compliance finding: 1. Workers' monthly overtime hours exceeded 36 hours. 2. Workers' weekly working hours exceeded 60 hours. 3. Workers worked continuously 8 days.</p> <p>Summary of Observation finding: Nil</p> <p>Summary of Good Example finding: Nil</p>
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil

10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA	NA	NA	NA
10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA	NA	NA	NA

General observations and summary of the site:

1. The products manufactured at this site were baby strollers and baby beds.
2. Overall responsibility for meeting the standards was taken by Mr. Li Wenjian / Quality manager.
3. There were a total of 1229 workers on site, including 444 male workers and 785 female workers.
4. The youngest worker on site was born on Aug 6, 2001 and joined the factory on Sep 11, 2019.
5. No Trade Union was available in the factory. 12 worker representatives were elected by workers in the factory. One workers representative attended the opening and closing meeting during this audit, also suggestion box was available in the factory. Based on workers interview, they could reflect their complaints freely.
6. Both male and female employees had equal opportunity on management position, salary etc.
7. There was no obvious peak and low season in the factory according to management interview.
8. No mental / physical coercion was identified during the audit.
9. 52 workers were selected for interview including 27 male and 25 female employees, they were interviewed as 8 groups of 4 some mixed groups and some single sex and the balance of 20 workers were interviewed individually.
10. The factory provided the attendance records (from Dec.1, 2018 to Jan.9, 2020) and payroll records (Dec 2018 to Nov 2020) for review during the audit. According to workers interview, the factory paid wage to workers on the 30th of each month for last month wage by cash.
11. Standard working time was 5 days a week and 8 hours a day.
12. The factory paid the minimum wage to all workers at least RMB 9 per hour which was above the legal requirement (Local minimum wage was RMB1380/month since Nov.1, 2018).
13. There were at least two exits at each factory floor, which was adequate.
14. Adequate hydrants, extinguishers, and fire alarms were installed in the factory.
15. Potable water was available at each workshop.
16. The ventilation, temperature and lighting in the production workshops were appropriate.
17. Based on provided attendance records, the maximum monthly overtime hours of sample workers were:
 - 72 hours/month in Jan 2019 (Random month);
 - 70 hours/month in Jun 2019 (Random month);
 - 74 hours/month in Nov 2019 (Current month).

Remark:

1. The audited factory was a group company and had total 6 business licenses in the same address, i.e., North Industry Park, Jin'an Zone, Lu'an City, Anhui Province.

2. The six business licenses were Anhui Cool baby Science & Technology Development Corporation (business license No. : 91341500MA2N166J74; business term: Oct 13, 2016 to long term), Anhui Cool baby Children Product Limited Company (business license No. : 913415007950692386; business term: Nov 3, 2016 to long term), Lu'an Kubeibei Children Product Limited Company (business license No. : 91341500MA2MXM8525; business term: Jul 18, 2016 to Jul 17, 2026), Lu'an Beisheng Fabrics Limited Company (business license No. : 91341500MA2N9L3D3L; business term: Dec 19, 2016 to Dec 18, 2026), Lu'an Runfeng Plastics Limited Company (business license No. : 91341500MA2N9L4A5D; business term: Dec 21, 2016 to Dec 20, 2026), Lu'an Chuanshi Hardware Accessories Limited Company (business license No. : 91341500MA2N9L5C8E; business term: Dec 19, 2016 to Dec 18, 2026) respectively. Based on onsite observation, no worker sharing was identified in the 6 companies above. Workers signed labor contracts with different companies, while documents of these companies were under the management of Anhui Cool baby Science & Technology Development Corporation.

3. The factory rent one 1-storey assembly workshop from "Lu 'an Kaixuan Dama Textile CO. LTD" and provided the lease contract for review. The factory rent one 1-storey injection molding workshop from "Lu 'an Huirun New Material CO. LTD" and provided the lease contract for review.

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details		
A: Company Name:	ANHUI COOL BABY SCIENCE & TECHNOLOGY DEVELOPMENT CORPORATION	
B: Site name:	ANHUI COOL BABY SCIENCE & TECHNOLOGY DEVELOPMENT CORPORATION 安徽酷豆丁科技发展股份有限公司	
C: GPS location: (If available)	GPS Address: North Industry Park, Jin'an Zone, Lu'an City, Anhui Province	Latitude: 31°48'8" Longitude: 116°32'22"
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business License Number: 91341500MA2N166J74 Validity of Operation: from Oct 13, 2016	
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Baby strollers and baby beds.	
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>ANHUI COOL BABY SCIENCE & TECHNOLOGY DEVELOPMENT CORPORATION was located in North Industry Park, Jin'an Zone, Lu'an City, Anhui Province.</p> <p>The factory had an area of about 27723 square meters and totally 1229 employees during the audit. There were two 3-storey workshops, two 1-storey workshops, two 1-storey warehouses, one 1-storey chemical & hazardous waste warehouse, one 1-storey distribution room, one 5-storey office building, and one 5-storey dormitory and canteen.</p> <p>Based on the attendance records provided by the factory, it was noted that there were three shifts for injection molding workers (7:30-15:30, 15:30-23:30, 23:30-07:30) and one shift (7:30-11:30, 13:00-17:00, 18:00-20:00 as OT hours) for the other workers. Workers usually worked 8 hours on Saturday and were always given rest on Sundays.</p> <p>For below, please add any extra rows if appropriate.</p>	

Production Building no.1	Description	Remark, if any
Floor 1	Assembly workshop of Lu'an Kubeibei Children Product Limited Company	Built in 2012
Floor 2	Sewing workshop of Lu'an Beisheng Fabrics Limited Company	Built in 2012
Floor 3	Cutting workshop of Lu'an Beisheng Fabrics Limited Company	Built in 2012
Is this a shared building?	Yes	Nil
Production Building no.2	Description	Remark, if any
Floor 1	Powder spraying workshop of Lu'an Chuanshi Hardware Accessories Limited Company	Built in 2012
Floor 2	Assembly workshop of Lu'an Kubeibei Children Product Limited Company	Built in 2012
Floor 3	Sewing workshop of Lu'an Beisheng Fabrics Limited Company	Built in 2012
Is this a shared building?	Yes	Nil
Production Building no.3	Description	Remark, if any
Floor 1	Metal cutting, bending, punching, powder spraying, welding, polishing (Lu'an Chuanshi Hardware Accessories Limited Company)	Built in 2012
Is this a shared building?	No	Nil

Production Building no.4	Description	Remark, if any
Floor 1	Injection molding workshop of Lu'an Runfeng Plastics Limited Company	Built in 2012
Is this a shared building?	No	Nil
Production Building no.5	Description	Remark, if any
Floor 1	Material warehouse of Lu'an Chuanshi Hardware Accessories Limited Company	Built in 2012
Is this a shared building?	No	Nil
Production Building no.6	Description	Remark, if any
Floor 1	Warehouse of Anhui Coolbaby Science & Technology Development Corporation	Built in 2012
Is this a shared building?	No	Nil
Production Building no.7	Description	Remark, if any
Floor 1	Chemical & hazardous waste warehouse of Lu'an Chuanshi Hardware Accessories Limited Company	Built in 2012
Is this a shared building?	No	Nil

Production Building no.8	Description	Remark, if any
Floor 1	Distribution workshop of Anhui Cool baby Science & Technology Development Corporation	Built in 2012
Is this a shared building?	No	Nil

Office Building no.1	Description	Remark, if any
Floor 1	office	Built in 2016(Anhui Cool baby Science & Technology Development Corporation)
Floor 2	Office and drawing room	
Floor 3	Office	
Floor 4	Office	
Floor 5	Office	
Is this a shared building?	No	Nil

Dormitory and canteen Building no.1	Description	Remark, if any
Floor 1	Kitchen and canteen	Built in 2012 (Anhui Cool baby Science & Technology Development)
Floor 2	Dormitory	
Floor 3	Dormitory	
Floor 4	Dormitory	
Floor 5	Dormitory	
Is this a shared building?	No	Nil

Visible structural integrity issues (large cracks) observed?

Yes

No

Please give details: No visible structural integrity issues were observed.

Does the site have a structural engineer evaluation?

Yes

No

Please give details: The factory had building safety certificates for all buildings.

G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer
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	<input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
<p>H: Month(s) of peak season: (if applicable)</p>	<p>Not obvious</p>
<p>I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)</p>	<p>The main products in the factory were baby strollers and baby beds. The manufacturing processes were as followed: Metal pre-treatment - metal cutting - bending - punching - powder spraying - welding – polishing - cloth cutting - sewing - injection molding – assembly–packing- finished goods. Number of production lines: NA. Main equipment used: injection molding machines:35 Units; metal cutting machines:10 Units; punching machines :35 Units; sewing machines :325 Units, etc.</p>
<p>J: What form of worker representation / union is there on site?</p>	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) 12 worker representatives were free elected by the workers. <input type="checkbox"/> None
<p>K: Is there any night production work at the site?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>L: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes approx. 20% of workers in on site accommodation
<p>M: Are there any off site provided worker accommodation buildings</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes approx. % of workers
<p>N: Were all site-provided accommodation buildings included in this audit</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, please give details

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 13:00 A2: Day 1 Time out: 17:00	A3: Day 2 Time in: 8:00 A4: Day 2 Time out: 16:00	A5: Day 3 Time in: 8:00 A6: Day 3 Time out: 12:00
B: Number of auditor days used:	4 (2 auditors in three days)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 2 weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not The factory did not provide the SAQ.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA, the factory did not provide the SAQ. If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Li Wenjian / Quality manager		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	Aug.27, 2019		
J: Previous audit type:	Desktop review		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives
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	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	N/A		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No union was available.		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	425	0	0	19	0	0	0	444
Worker numbers – female	732	0	0	53	0	0	0	785
Total	1157	0	0	72	0	0	0	1229
Number of Workers interviewed – male	26	0	0	1	0	0	0	27
Number of Workers interviewed – female	24	0	0	1	0	0	0	25
Total – interviewed sample size	50	0	0	2	0	0	0	52



A: Nationality of Management	China	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities:</p> <p>B1: Nationality 1: ___ China ___</p> <p>B2: Nationality 2: _____</p> <p>B3: Nationality 3: _____</p>	<p>Was the list completed during peak season?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>NA No peak season in the factory.</p> <p>If no, please describe how this may vary during peak periods:</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1 ___ China ___</p> <p>C1: approx % total workforce: Nationality 2 _____</p> <p>C2: approx % total workforce: Nationality 3 _____</p>	
D: Worker remuneration (management information)	<p>D: _____% workers on piece rate</p> <p>D1: ___ 100 ___% hourly paid workers</p> <p>D2: _____% salaried workers</p> <p>Payment cycle:</p> <p>D3: _____% daily paid</p> <p>D4: _____% weekly paid</p> <p>D5: ___ 100 ___% monthly paid</p> <p>D6: _____% other</p> <p>D7: If other, please give details</p>	



Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	8 groups of 4 workers (32 workers)	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 18	D2: Female: 2
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	All workers interviewed had a positive attitude to management and site.	
I: What did the workers like the most about working at this site?	Wages	
J: Any additional comment(s) regarding interviews:	Most workers enjoyed working at this factory, they felt they had sufficient work and had a good relationship with management in general.	
K: Attitude of workers to hours worked:	Workers expressed that they sometimes wanted to work extra, to earn more money, however they could turn down overtime if they wanted.	
L. Is there any worker survey information available?		

Yes

No

L1: If yes, please give details:

M: Attitude of workers:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

52 workers were selected for interview including 27 male and 25 female employees, they were interviewed as 8 groups of 4 employees and the balance of 20 workers were interviewed individually.

The workers were assured of confidentiality and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory.

All workers said they were satisfied with their employment at the factory and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect.

They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns, such as work condition to their worker representative who would take it to the worker manager.

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

The worker's representative showed that the management was cooperative with workers and the workplace was generally acceptable. They were satisfied with management attitude and no negative evidence was observed on worker committee members were treated differently.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

The factory management agreed that the auditors could access to all facilities, compound documents and records requested by the audit; to take photo of the factory, to copy relevant document records and conduct confidential workers interview. During the audit, management showed they were willing to gradually improve all issues found on-site.

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. The factory had a designated person responsible for implementing standards concerning human rights.
2. The factory had a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Document review
2. Management and workers interview

Any other comments:

Nil

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The factory had established relevant policy records confirmed.</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Li Wenjian Job title: Quality manager</p>
<p>C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The factory had established relevant human rights policy confirmed.</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The factory had established the related policy, which was communicated with workers effectively.</p>

Findings		
<p>Finding: Observation <input type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: Nil</p> <p>Local law or ETI/Additional elements / customer specific requirement: Nil</p> <p>Comments: Nil</p>		<p>Objective evidence observed: Nil</p>

Good examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: __4.8__ %	A2: This year __5.2__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	5%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: __0.05__ %	C2: This year __0.1__ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	0.05%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: The factory had provided workers' accidents records of previous 12 months.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: Number: 0	F2: This year: Number: 3
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 0	H2: This year: 3
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__% workers	I2: 12 months __0__% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months __0__% workers	J2: 12 months __0__% workers

0B: Management system and Code Implementation

[\(Click here to return to summary of findings\)](#)

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
- 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.4 Suppliers are expected to communicate this Code to all employees.
- 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- The factory had established the necessary policy and procedure documents.
- The factory conducted regularly trainings about social policies equivalent to ETI Code for the employees.
- The factory had provided the social accountability internal audit report.
- The factory had conducted social accountability audit to their suppliers.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Client's code of conduct in the factory.
- Management interview
- Workers interview
- Documents review

Any other comments:

Nil

Management Systems:

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

- Yes
- No

A1: Please give details: No such fine or prosecutions were identified.

B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

- Yes
- No

B1: Please give details: The factory had established the related policy, including HR policies, hand manual, etc.

<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>The factory had communicated the related policy to workers through training. Based on workers interview, workers stated no forced labour, no child labour was found there were both female and male among management and supervisors.</p>
<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Please give details: Based on document review, managers and workers had received training in the standards for forced labour, child labour, discrimination, harassment & abuse.</p>
<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The training records were provided for review.</p>
<p>F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: The factory did not provide the certificates of ISO 9000, ISO 14000 and OHSAS 18000.</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: HR department was available.</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Mr. Li Wenjian / Quality manager was responsible for implementation of the Code.</p>
<p>I: Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Policy was established in employee manual.</p>
<p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Policy was established in employee manual.</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Risk assessment was conducted to evaluate policy and procedure effectiveness, such as finance audit.</p>

<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: If issues addressed, actions should be taken per interview with management.</p>
<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: The factory had signed Social responsibility pledge with all suppliers.</p>
<p>Land rights</p>	
<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Factory provided business license to prove the land using is legal, and no relevant negative information based on interview and web search.</p>
<p>O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: Legal department of factory would responsible for it per interview with management.</p>
<p>P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: The factory had established the related policy and obtained the property ownership certificate.</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: N/A</p>
<p>R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: N/A</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: No such negative evidence observed.</p>

Non-compliance:

<p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p>Nil</p> <p>Local law and/or ETI requirement:</p> <p>Nil</p> <p>Recommended corrective action:</p> <p>Nil</p>	<p>Objective evidence observed:</p> <p>Nil</p>
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Observation:	
<p>Description of observation:</p> <p>Nil</p> <p>Local law or ETI requirement:</p> <p>Nil</p> <p>Comments:</p> <p>Nil</p>	<p>Objective evidence observed:</p> <p>Nil</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>Nil</p>	<p>Objective evidence observed:</p> <p>Nil</p>

1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1 According to on-site management interviews and workers' interview, no deposit was required and the workers kept ID cards by themselves. No negative evidences on forced, bonded or involuntary prison labours were identified during the audit.

2 In addition, employees were free to leave after working shift; they could freely resign after communication with management in advance of 30 days.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Personnel files sampling review
- Resignation records sampling review
- Factory rules review
- Employee manual review
- Management and workers interviews

Any other comments:

Nil

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:</p>
<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: Based on worker interview, there were no any restrictions on workers' freedom to terminate employment.</p>

<p>E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: N/A</p>
<p>F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: Based on workers & management interview, workers could leave the factory freely after shift ended without any restrictions.</p>
<p>G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: The facility set up the rules and conducted social audit to its supply chain to identify these risks and pick out eligible suppliers.</p>
<p>H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The factory had established the effective employment policies, and it was implemented by HR department. No restrictions on movement of the employees in the factory; and HR department would verify ID copies without any retention during recruitment process. In addition, employees could be freely resignation after communication with management in advance 30 days notification.</p>

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: Nil Local law and/or ETI requirement Nil Recommended corrective action: Nil</p>	<p>Objective evidence observed: Nil</p>

Observation:	
<p>Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good Examples observed:

Description of Good Example (GE):
Nil

Objective evidence observed:
Nil

2: Freedom of Association and Right to Collective Bargaining are Respected

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ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- 1 The factory established written policy on freedom of association. And 12 employee representatives were selected by employees, regularly meeting between employee representatives are carried out quarterly, the presentation and communication was effective.
- 2 Moreover, suggestion box was available and all workers could appeal through both worker representative and suggestion box.
- 4. The employee representative attended the audit.
- 5. Meeting minutes provided by the factory showed that employee representatives had communicated the issues of workers to the factory, such as entertainment facility; the factory solved the issue effectively.
- 6. Based on workers interview, they were aware of worker representative; they confirmed that employee representative was elected by themselves.
- 7. The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). As a consequence, all trade unions of factories in China are under the management of ACFTU. And most of the trade union representatives are appointed directly by it. Additionally, the trade union activity is limited on the right to organize and bargain collectively in China.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Minutes of the works representatives meeting
- Site policy on freedom of association
- Interview with workers
- Interview with worker representative
- Interview with managers

Any other comments:

Nil

<p>A: What form of worker representation/union is there on site?</p>	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) 12 worker representatives were free elected by the workers. <input type="checkbox"/> None	
<p>B: Is it a legal requirement to have a union?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>C: Is it a legal requirement to have a worker's committee?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The employees could complain through suggestion box or supervisors directly. D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The meeting rooms were provided by factory and work committee could use it freely.	
<p>F: Name of union and union representative, if applicable:</p>	<p>N/A</p>	<p>Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p>	<p>Worker representative</p>	<p>Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>I: Were worker representatives freely elected?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>I1: Date of last election: Jan.12, 2019</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>K: Were worker representatives/union representatives interviewed?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: One worker representative was interviewed.	
<p>L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.</p>	<p>The meeting was conducted quarterly, and the last was conducted on Dec.14, 2019.</p>	

M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No CBA in the factory.	
If Yes , what percentage by trade Union/worker representation	M1: <u> 0 </u> % workers covered by Union CBA	M2: <u> 0 </u> % workers covered by worker rep CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No collective bargaining agreement in the factory.	

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil</p> <p>Local law and/or ETI requirement: Nil</p> <p>Recommended corrective action: Nil</p>	<p>Objective evidence observed: Nil</p>

Observation:	
<p>Description of observation: Nil</p> <p>Local law or ETI requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good Examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective evidence observed: Nil</p>

3: Working Conditions are Safe and Hygienic

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ETI

- 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

General H&S:

- The factory established written policy on health and safety and obtained the updated laws on H&S.
- Mr. Li Wenjian / Quality manager was appointed as health and safety director for the site.
- Based on on-site observation, the ventilation, lighting and temperature of workshops were suitable for workers.
- There was injury and illness record mechanism in the factory.
- The factory provided drinking facility at workplaces.
- Minutes of meetings show that there are regular meetings between the H&S committee (workers) and the H&S manager, and each point was acted on.

Medical & First Aid:

- First aid kits with enough medical supplies were available in the workshop.
- 9 trained first aiders were available at the factory and it was sufficient.

Personal Protective Equipment (PPE)

- Based on on-site observation and management interview, the factory provided masks and earplugs for workers in the cutting workshop and soldering workshop.

Fire & Emergency Safety:

- Based on on-site observation, the evacuation plans were posted at each workshop.
- Based on on-site observation, adequate fire extinguishers and fire alarms were installed in workshops and warehouses, and inspected it by monthly.
- Based on on-site observation, all fire extinguishers were maintained in good condition.
- Fire drill was conducted in the factory in Apr 2019 and Nov 2019 and recorded in the last 12 months.
- Based on document review, the factory didn't provide the Fire Safety Certificates or Building Fire Safety Register Certificates of one 1-storey injection molding workshop, one 1-storey semi-finished goods warehouse and one 1-storey chemical warehouse.

Machine & Electrical Safety:

- There was 1 electrician in the factory, and the factory also provided the certificate for review during the audit.
- Most part of electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.

Chemical safety

- Most part of MSDSs was available and there were hazard diagrams on any chemicals which needed careful handling.
- Workers in the chemical store confirmed that they had been trained on correct handling procedures as well as what to do in an emergency

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Health and safety policy
- Health and safety manual
- Health and safety committee minutes
- Training records and certificates
- Fire equipment maintenance records
- Fire drill records
- Accident reports
- List of chemicals
- Interviews with H&S manager
- Interviews with workers and H&S committee members

Any other comments:

N/A

<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Mr. Li Wenjian / Quality manager was appointed as health and safety director for the site.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Employees' manual covered the EHS policies.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: No structural addition was identified.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The visitors were informed on H&S, and the warning sign was posted onsite such as no smoking sign. PPEs were not required that site did not have obvious dust or noise.</p>
<p>E: Is a medical room or medical facility provided for workers?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

<p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p>E1: Please give details: No local law requirement, while, first aid kit was available in workshop.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: 9 trained first aiders were available at the factory.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No NA G1: Please give details: The factory did not provide transport to workers.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: The factory provided secure personal storage space to all workers.</p>
<p>I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: EHS risk assessments were conducted regularly with actions implementation.</p>
<p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The factory had provided the environmental protection acceptance report.</p>
<p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: It was acceptable.</p>

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Based on site observation, it was noted that no safeguard was available for two sewing machines.</p> <p>Local law and/or ETI requirement Local law General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1.2 Necessary safeguard shall be installed for all moving parts that are accessible to the operator during machine operation.</p> <p>ETI Base Code 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far</p>	<p>Objective evidence observed: 1. Onsite observation, NC photo No.1</p>

as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

The factory should install safeguard for all sewing machines.

Action by: Mr. Li Wenjian / Quality Manager

Timeframe: 30 days

2. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on document review, the factory didn't provide the Fire Safety Certificates or Building Fire Safety Register Certificates of one 1-storey injection molding workshop, one 1-storey semi-finished goods warehouse and one 1-storey chemical warehouse.

Local law and/or ETI requirement:

Local law

Fire Prevention Law of the People's Republic of China (2008 Amendment),

Article 11 For the construction of a large-scale people-intensive site or any special construction projects as prescribed by the public security of the State Council, the employer shall submit the fire protection design documents to the fire protection division of the public security organ for examination. The fire protection division of the public security organ shall be responsible for the examination result according to law.

Article 13 Where the construction of a construction project that needs a fire protection design under the national fire protection technical standards for project construction is completed, a fire protection as-built acceptance or filing shall be conducted as follows:

1. For a construction project as described in Article 11 of this Law, the employer shall apply to the fire protection division of the public security organ for a fire protection as-built acceptance.
2. For any other construction project, the employer shall, after an acceptance, report it to the fire protection division of the public security organ for archival purposes, and the fire protection division of the public security organ shall conduct a spot check.

A construction project that is subject to a fire protection as-built acceptance according to law but fails to undergo or pass the fire protection as-built acceptance shall be forbidden to be put into use. Any other construction project that fails to pass a spot check shall cease to be used.

ETI Base Code 3.1

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

The factory should obtain Fire Safety Certificates for all buildings.

Action by: Mr. Li Wenjian / Quality Manager

Timeframe: 30 days

2. Management interview and documents review

Observation:	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed:	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- 1 The factory established effective procedure to check the workers' ages during the recruitment through ID or other equivalent certificate such as driver licences. And the factory kept ID copies for all workers, according to sampling review, documents were kept for review.
- 2 Based on workers interview and personal files review, no child labour or young worker was identified during the audit.
- 3 The youngest worker in the factory was 18 years old who was born on Aug 6, 2001 and joined the factory on Sep 11, 2019.

Remark: In China, minimum age of worker is 16 years old. Workers between 16 -18 are regarded as young labour.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Recruitment policy
- Rosters of all employees including dispatch workers
- Personnel files
- ID copies
- Workers and management interviews

Any other comments:

Nil

A: Legal age of employment:	16 years old
B: Age of youngest worker found:	The youngest worker in the factory was 18 years old who was born on Aug 6, 2001 and joined the factory on Sep 11, 2019.
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input type="checkbox"/> No NA E1: If yes, give details No worker under 18 years old subject to hazardous work.

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil

Observation:	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed:	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- 1 There were written policies established on wages and benefits and which were communicated to workers during recruitment process; while, the factory provided employees manual to workers, too.
- 2 The factory provided the payrolls from Dec 2018 to Nov 2019 and attendance records from Dec.1, 2018 to Jan.9, 2020 for review.
- 3 The local legal minimum wage was RMB 1380/month (equivalent to RMB 7.93/hour) since Nov 1, 2018.
- 4 All workers' wages were calculated by hourly salary.
- 5 Disciplinary deductions were not defined in the factory.
- 6 Annual leave was adequate for workers.
- 7 All workers were paid before 30th of the following month by bank transfer and pay slip was provided.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Documents review
- Workers interview
- Wages and benefits policy
- Local legal minimum wage documents
- Payroll records
- Social insurance and payment receipts from the local labour department
- Resignation records
- Payslips of all workers interviewed

Any other comments:

Nil

Non-compliance:

<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: There were total 1229 employees in the factory, the factory provided work-related injury insurance for 1192 employees and provided unemployment, child-bearing, medical insurance and retirement insurance for 347 employees.</p> <p>Local law and/or ETI requirement: Labor Law of the People’s Republic of China (2009 Amendment) Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and an overall pooling of insurance funds from the society shall be introduced step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law. Article 73, Laborers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances: 1. Retirement; 2. Illness or injury; 3. Disability caused by work-related injury or occupational disease; 4. Unemployment; and 5. Child-bearing. ...</p> <p>ETI Base Code 5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.</p> <p>Recommended corrective action: The factory should provide social insurance for all employees.</p> <p>Action by: Mr. Li Wenjian / Quality manager Time frame: 120 days</p>	<p>Objective evidence observed: Based on management and worker interview, document review</p>
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Observation:	
<p>Description of observation: Nil</p> <p>Local law or ETI requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good Examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 8 hours per day 40 hours per week	A1: 8 hours per day plus 40 hours per week	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 3 hours per day 36 hours per month	B1: 0~2 hours per day, 0~30 hours per week, 34~78 hours per month	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: RMB1380/month since Nov.1, 2018.	C1: At least RMB 9/hour	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: 150%, 200% and 300% of normal wage rate for overtime hours on weekday, weekend and statutory holiday.	D1: 150%, 150% and 300% of normal wage rate for overtime hours on weekday, weekend and statutory holiday	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)	
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If No , why not?	N/A
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	52 samples from Jan 2019 (random) 52 samples from Jun 2019 (random) 52 samples from Nov 2019 (current)
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If Yes , please give details: N/A

<p>D: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	<p>D1: If No, please give details: N/A</p>	
<p>E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	<p>E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> RMB 9/hour</p>	
<p>F: Please indicate the breakdown of workforce per earnings:</p>	<p>F1: ___% of workforce earning under minimum wage F2: ___% of workforce earning minimum wage F3: _100_ % of workforce earning above minimum wage</p>		
<p>G: Bonus Scheme found: Please specify details:</p>	<p>Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> No bonus was available.</p>		
<p>H: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>Social insurance, tax.</p>		
<p>I: Have these deductions been made?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>I1: Please list all deductions that have been made.</p>	<p>1. Social insurance expense 2. Personal income tax. Please describe:</p>
		<p>I2: Please list all deductions that have not been made.</p>	<p>1. Nil 2. Nil Please describe: N/A</p>
<p>J: Were appropriate records available to verify hours of work and wages?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<p>K: Were any inconsistencies found? (if yes describe nature)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>K1: Type N/A <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:</p>	
<p>L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>L1: Please give details: Based on attendance records and worker interview, all workers recorded their attendance when they entered or leave the factory.</p>		
<p>M: Is there a defined living wage:</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

<p>This is <i>not normally</i> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</p>	<p>M1: Please specify amount/time: Nil</p>
<p>M2: If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: N/A</p>
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The factory reviewed the wages yearly refer to local bureau, union opinion etc.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: The factory paid basic wage equally.</p>
<p>Q: How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:</p>

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Through employees' interview, overtime was voluntary.
- The factory provided attendance records of all workers from Dec.1, 2018 to Jan.9, 2020.
- The factory did not obtain any Comprehensive Working Hours System waiver.
- The factory used fingerprint electronic system to record workers' working hours.
- According to attendance records and workers interview, basic working hours were 8 hours per day and 40 hours per week and the not all workers had one day off per seven days.
- The factory had no obvious peak season.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Workers interview
- Management interview

- Local and national laws
- Attendance records
- Quality and production records to cross check hours

Any other comments:
N/A

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on the attendance records provided by factory from Dec.1, 2018 to Jan.9, 2020, it was noted that all sampled workers' monthly overtime hours exceeded 36 hours and the maximum were 78 hours in Jul 2019.

Local law and/or ETI requirement:

Local law

Labor Law of the People's Republic of China (2009 Amendment), Article 41

The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.

ETI Code 6.1

Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

Recommended corrective action:

The factory should ensure the overtimes of workers be in accordance with the legal requirements.

Action by: Mr. Li Wenjian / Quality manager

Time frame: 60 days

2. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on the attendance records provided by factory from Dec.1, 2018 to Jan.9, 2020, it was noted that all sampled workers' weekly working hours exceeded 60 hours in Sep 2019 and the maximum were 70 hours.

Local law and/or ETI requirement:

ETI Code 6.4

The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

Recommended corrective action:

Objective evidence observed:

1.Document review, worker interview and management interview.

2.Document review, worker interview and management interview.

<p>The factory should ensure the workers' weekly working hours be in accordance with the client requirements. Action by: Mr. Li Wenjian / Quality manager Time frame: 60 days</p> <p>3. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Based on the attendance records provided by factory from Dec.1, 2018 to Jan.9, 2020, it was noted that all sampled workers worked continuously 8 days from Sep.23 to 30, 2019.</p> <p>Local law and/or ETI requirement: Labor Law of the People's Republic of China (2009 Amendment), Article 38 The employing unit shall guarantee that its staff and workers have at least one day off in a week.</p> <p>ETI Code 6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.</p> <p>Recommended corrective action: The factory should ensure the workers have one day off per 7 days. Action by: Mr. Li Wenjian / Quality manager Time frame: 60 days</p>	<p>3.Document review, worker interview and management interview.</p>
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Observation:	
<p>Description of observation: Nil</p> <p>Local law or ETI requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good Examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

Working hours' analysis	
<p>Please include time e.g. hour/week/month (Go back to Key information)</p>	
Systems & Processes	
<p>A. What timekeeping systems are used: time card etc.</p>	<p>Describe: Fingerprint electronic system.</p>

<p>B: Is sample size same as in wages section?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details</p>				
<p>C: Are standard/contracted working hours defined in all contracts/employment agreements?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:</p>				
<p>D: Are there any other types of contracts/employment agreements used?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: If YES, please complete as appropriate:</p> <table border="1" data-bbox="687 674 1493 763"> <tr> <td><input type="checkbox"/> 0 hrs</td> <td><input type="checkbox"/> Part time</td> <td><input type="checkbox"/> Variable hrs</td> <td><input type="checkbox"/> Other</td> </tr> </table> <p>If "Other", Please define:</p>	<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other		
<p>E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No E1: If yes, please detail hours, %, types of workers affected and frequency Please give details:</p>				
<p>F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?</p>	<p>F2: Please select all applicable: <input type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input checked="" type="checkbox"/> No If 'No', please explain: Sampled workers worked continuously 8 days from Sep.23 to 30, 2019.</p> <p>F3: Is this allowed by local law? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Maximum number of days worked without a day off (in sample): 8 days</p>				
<p>Standard/Contracted Hours worked</p>					
<p>G: Were standard working hours over 48 hours per week found?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: If yes, % of workers & frequency: N/A</p>				

<p>H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>H1: If yes, please give details:</p> <p>N/A</p>
<p>Overtime Hours worked</p>		
<p>I: Actual overtime hours worked in sample (State per day/week/month)</p>	<p>Highest OT hours: 2 hours per day, 20 hours per week, 72 hours in Jan 2019 (Random) 2 hours per day, 18 hours per week, 70 hours in Jun 2019 (Random) 2 hours per day, 18 hours per week, 74 hours in Nov 2019 (Current)</p>	
<p>J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>Based on the attendance records provided by factory from Dec.1, 2018 to Jan.9, 2020, it was noted that all sampled workers' weekly working hours exceeded 60 hours in Sep 2019 and the maximum were 70 hours.</p>
<p>K: Approximate percentage of total workers on highest overtime hours:</p>	<p><u>20</u> %</p>	
<p>L: Is overtime voluntary?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<p>L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: Contracts stated that overtime may be requested but it was voluntary.</p>
<p>Overtime Premiums</p>		
<p>M: Are the correct legal overtime premiums paid?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<p>M1: Please give details of normal day overtime premium as a % of standard wages: 150% of normal wage rate for weekday overtime 200% of normal wage rate for weekend overtime 300% of normal wage rate for statutory holiday overtime</p>
<p>N: Is overtime paid at a premium?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>N1: If yes, please describe % of workers & frequency: 100% workers were paid overtime wage every month.</p>
<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other N/A	<p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p>

	N/A
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<p><input checked="" type="checkbox"/> Overtime is voluntary</p> <p><input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week</p> <p><input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances</p> <p><input type="checkbox"/> Other reasons (please specify)</p> <hr/> <p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> <p>Contracts stated that overtime may be requested but it was voluntary.</p>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Q1: If yes, please give details:</p>
<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>

7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- According to management and workers interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background, etc.; female workers and male workers had the same pay and working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement.
- There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement.
- There was no evidence of sexual harassment.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- The hiring and termination procedure
- Leave application records and employee handbook
- Labour contract
- Termination records
- Attendance and payroll records
- Training records
- Worker interview and management interview

Any other comments:

Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: <u>66.7</u> % A2: Female <u>33.3</u> %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	12 females were technical engineer.
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability,	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training

gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input type="checkbox"/> No evidence of discrimination found C1: Please give details: NA. No evidence of discrimination found.
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Professional Development	
A: What type of training and development are available for workers?	All workers were given different kinds of trainings.

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
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Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil

Observation:	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed:	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- All working employees were recruited by the factory directly.
- The factory provided personal files, attendance and payroll records of all employees for review.
- No agency was used during the audit. No temporary worker, apprenticeship schemes or home worker was identified during the audit.
- All working employees were required to sign the labor contracts with the factory on the date she or he joined the factory and one copy would be issued to them.
- Based on the labor contract review, all legal required items were contained in the contracts and no negative evidence was identified in labor contents between workers and factory.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- The factory rules
- Personal files
- Labor contracts
- Payroll records were provided for review.

Any other comments:

N/A

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil</p> <p>Local law and/or ETI requirement: Nil</p> <p>Recommended corrective action: Nil</p>	<p>Objective evidence observed: Nil</p>

Observation:	
<p>Description of observation: Nil</p> <p>Local law or ETI requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good Examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?</p>	<p><input type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions</p> <p>A1: If any are unchecked, please describe finding and specific category(ies) of workers affected: N/A</p>
<p>B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>B1: If yes, please describe details and specific category(ies) of workers affected:</p>

C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details: N/A
D: If any checked, give details:	N/A

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>	
A: Type of work undertaken by migrant workers:	No migrant worker in the factory during the audit.
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: 0 B2: Total number of (outside of local country) recruitment agencies used: 0
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: N/A
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: N/A

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other N/A B1 – If other, please give details: N/A
C: If any checked, give details:	N/A

Agency Workers (if applicable)	
<i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: N/A. The factory didn't use agency workers. Names if available:
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A. The factory didn't use agency workers
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A. The factory didn't use agency workers.
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No

	<p>Please give details: N/A. The factory didn't use agency workers.</p>
<p>E: Does the site have a system for checking labour standards of agencies? If yes, please give details.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>E1: Please give details: N/A. The factory didn't use agency workers.</p>

<p style="text-align: center;">Contractors:</p> <p style="text-align: center;"><i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i></p>	
<p>A: Any contractors on site?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A A1: If yes, how many contractors are present, please give details: No contractor was used in the factory.</p>
<p>B: If Yes, how many workers supplied by contractors?</p>	<p>N/A. No contractor was used in the factory.</p>
<p>C: Do all contractor workers understand their terms of employment?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: N/A. No contractor was used in the factory.</p>
<p>D: If Yes, please give evidence for contractor workers being paid per law:</p>	<p>N/A. No contractor was used in the factory.</p>

8A: Sub-Contracting and Homeworking

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- No home-worker was used by the factory per management interview and on-site observation.
- No sub-contractor was used by the factory.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

No homeworking identified

Documents review

Management interview

On-site observation

If any processes are sub-contracted – please populate below boxes

Nil

Details:

Nil

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil</p> <p>Local law and/or ETI /Additional Elements requirement: Nil</p> <p>Recommended corrective action: Nil</p>	<p>Objective evidence observed: Nil</p>
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Observation:	
<p>Description of observation: Nil</p> <p>Local law or ETI/Additional elements requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good Examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
<p>A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:</p>
<p>B: If sub-contractors are used, is there evidence this has been agreed with the main client?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes, summarise details:</p>
<p>C: Number of sub-contractors/agents used:</p>	
<p>D: Is there a site policy on sub-contracting?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

	D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable
 Not Applicable please x

A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?			
F: What processes are carried out by homeworkers?			
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:		
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

9: No Harsh or Inhumane Treatment is Allowed
[\(Click here to return to summary of findings\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
 Additional elements:
 9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Suggestion box
B: If Yes , are workers aware of these channels and have access? Please give details.	Based on worker interview, they were aware of the suggestion box.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion box
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Workers could raise grievances to worker representative, supervisors, team leaders, or managers directly.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details:
F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details

<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>II: If yes, please give details</p>
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Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current systems:</p> <p>1 No negative evidence of mental / physical coercion was identified during the audit. 2 There was no evidence of sexual harassment. 3 The workers interviewed said they were never witnessed any cases of physical abuse or discipline, sexual or other harassment and verbal abuse or other forms of intimidation existed in this factory. 4 The duties of security guards were to protect safety of factory's property, to regularized entrance/exit of goods/ vehicles/ employees/ visitors.</p> <p>Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):</p> <p>Details: Factory rules. Security guard regulation. Workers' interview</p> <p>Any other comments: Nil</p>

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil</p> <p>Local law and/or ETI requirement: Nil</p> <p>Recommended corrective action: Nil</p>	<p>Objective evidence observed: Nil</p>

Observation:	
<p>Description of observation: Nil</p>	<p>Objective evidence observed:</p>

<p>Local law or ETI requirement: Nil</p> <p>Comments: Nil</p>	<p>Nil</p>
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<p>Good Examples observed:</p>	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.
 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- The factory collected related laws on entitlement to work and immigration.
- No security guards were used in the factory.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Policy on Entitlement to work and immigration.
- Workers interview, management interview.
- Onsite observation

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
 NC against customer code:

Nil

Local law and/or ETI /Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Observation:

<p>Description of observation: Nil</p> <p>Local law or ETI/Additional Elements requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>
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<p>Good examples observed:</p>	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

10. Other issue areas 10B2: Environment 2–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Based on document review and confirmed with factory management, the factory conducted the EIA Report and obtain the EIA Approval from environment department.
- The factory learned about the environment impact of their site and took continuously management measures to control the environment impact.
- The factory management maintained all legally required environmental documents in place which proved that the production of the factory was compliance with the related environmental regulations.
- The factory had procedure on environment protection and Mr. Li Wenjian was appointed as response for environment performance.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- Environmental policy and procedure
- All legally required environmental documents were provided for review
- Worker and management interview
- Site tour
- Energy and resource consumption (water and electrical) status review
- Related environmental regulations

Any other comments:

Nil

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law Nil</p> <p>Local law and/or ETI/Additional Elements requirement: Nil</p> <p>Recommended corrective action: Nil</p>	<p>Objective evidence observed: Nil</p>
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Observation:	
<p>Description of observation: Nil</p> <p>Local law or ETI/additional elements requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>

Good examples observed:	
<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>

Other findings

Other Findings Outside the Scope of the Code
Nil

Community Benefits <i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>
Nil

Appendix 1

Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."

Not Applicable please x

Photo Form













NC Photos

	<p>Nil</p>	<p>Nil</p>
<p>NC 1: sewing machine without finger guard</p>	<p>Nil</p>	<p>Nil</p>





General photos

<p>Factory gate</p>	<p>Factory name</p>	<p>GPS coordinates (N31°48'8", E116°32'22")</p>

<p>Raw material</p>	<p>cutting</p>	<p>sewing</p>

		
<p>punching</p>	<p>welding</p>	<p>Powder spraying</p>
		
<p>assembly</p>	<p>packing</p>	<p>Finished goods</p>
		
<p>Fire hydrant</p>	<p>Fire extinguishers</p>	<p>Exit with lighting sign</p>
		
<p>Sound and light fire alarm</p>	<p>Emergency lights</p>	<p>Evacuation lighting sign</p>



		
<p>bedroom</p>	<p>Toilet in the dormitory</p>	<p>Shower facility</p>
	<p>Nil</p>	<p>Nil</p>
<p>Attendance machine</p>	<p>Nil</p>	<p>Nil</p>



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

[Click here for Supplier \(B\) members:](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

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