




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1056536	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1019596
Business name (Company name):	Marshallom Holdings Ltd		
Site name:	Marshallom Metal Manufacture (Huizhou) Co., Ltd. 美盛隆制罐（惠州）有限公司		
Site address: <i>(Please include full address)</i>	Dalubei, Zhenlong Town, Huiyang Area, Huizhou City, Guangdong Province, China 中国广东省惠州市惠阳区镇隆镇大路背	Country:	China
Site contact and job title:	Ms. Wu Lizhi / Compliance Specialist		
Site phone:	86-18933253752	Site e-mail:	wulz@marshallom.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	13 th -15 th February 2023		

Audit Company Name & Logo: 	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Marshallom Metal Manufacture (Huizhou) Co., Ltd.
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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)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

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): None

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

Lead auditor: Ms. Joy Ma/Social Auditor APSCA number: CSCA 21700017

Lead auditor APSCA status: CSCA

Team auditor: None APSCA number: N/A

Interviewers: Ms. Joy Ma/Social Auditor APSCA number: CSCA 21700017

Report writer: Joy Ma

Report reviewer: Helen Deng

Date of declaration: 15 February 2023

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)</i> <i>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	NC: • None observed Obs: • None observed GE: None observed
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	NC: • None observed Obs: • None observed GE: • None observed
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	NC: • None observed Obs: • None observed GE: None observed
2 Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	NC: • None observed Obs:

									<ul style="list-style-type: none"> None observed <p>GE: None observed</p>
3	<u>Safety and Hygienic Conditions</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	<p>NC:</p> <ul style="list-style-type: none"> Safety facilities for hazardous chemicals were not compliant with legal requirement. <p>Obs:</p> <ul style="list-style-type: none"> None observed <p>GE: None observed</p>
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<p>NC:</p> <ul style="list-style-type: none"> None observed <p>Obs:</p> <ul style="list-style-type: none"> None observed <p>GE: None observed</p>
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<p>NC:</p> <ul style="list-style-type: none"> None observed <p>Obs:</p> <ul style="list-style-type: none"> None observed <p>GE: None observed</p>
6	<u>Working Hours</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	<p>NC:</p> <ul style="list-style-type: none"> Overtime hours exceeded the legal requirement. <p>Obs:</p> <ul style="list-style-type: none"> None observed <p>GE: None observed</p>

7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: None observed
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: None observed
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: None observed
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: None observed
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: None observed

10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	Not applicable. This was a 4-Pillar audit.
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	1	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: <ul style="list-style-type: none"> • Per document review and management interview, the facility had obtained ISO 14001:2015 with certificate #CN13/30123 (valid period from 23rd January 2022 to 22nd January 2025)
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	NC: <ul style="list-style-type: none"> • None observed Obs: <ul style="list-style-type: none"> • None observed GE: <ul style="list-style-type: none"> • None observed

General observations and summary of the site:

Site summary:

- The products manufactured at this site were tin cans.
- Overall responsibility for meeting the standards was taken by Ms. Wu Lizhi / Compliance Specialist.
- There was a total of 496 employees on site (including 15 management staff and 481 non-management employees, 426 were migrant employees and 70 local employees, all were permanent). Migrant employees came from other provinces in China such as Hunan, Sichuan, Guangxi, Hubei and Guizhou.
- The youngest employee on site was 19 years old.
- No subcontractor was used by the facility.
- There was one worker committee at this facility.
- There was evidence of both male and female in management and among supervisors. The distribution was Male 60%, Female 40%.
- The peak season in this facility was not obvious in the past year as per the management.
- 26 employees were randomly selected for interview including 15 male employees and 11 female employees; they were interviewed as four groups of 5 employees and the balance of 6 employees were interviewed individually. Besides, additional 2 employees were interviewed for Environment issue and Business Ethics.

- Payrolls for the period from August 2022 to December 2022 and attendance records for the period from 31st August 2022 (the day after the last audit) to 15th February 2023 were provided for review. Randomly sampled 26 employees' payrolls and attendance records from December 2022 (current month), November 2022 (random month) and October 2022 (random month) for further checking on status of wages and working hours.
- Based on the provided attendance records, standard working hours in this facility were 8 hours per day, 40 hours per week with at least 1 day off in a week.
- Based on the provided payroll records, the facility paid 150% of the normal wages for the extension of working hours on normal days, paid 200% of the normal wages for the extended hours on rest days, and 300% of the normal wages for the extension of working hours on statutory holidays.

Observation

None observed

GE

None observed

Additional Auditor Remark:

Facility abided by all current Federal and state regulations with respect to COVID-19. Social distancing was enforced, masks were required, and the temperature of employee/visitor was taken upon entrance to the facility. Verification of employee/visitor current physical condition was verified via completion of a questionnaire.

**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:	Marshallom Holdings Ltd	
B: Site name:	Marshallom Metal Manufacture (Huizhou) Co., Ltd 美盛隆制罐（惠州）有限公司	
C: GPS location: (If available)	GPS Address: Dalubei, Zhenlong Town, Huiyang Area, Huizhou City, Guangdong Province, China 中国广东省惠州市惠阳区镇隆镇大路背	Latitude: Not provided Longitude: Not provided
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Uniform Social Credit Number: 91441303749184868F Valid Date: from 25 th April 2003 to long term	
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Tin cans	
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Marshallom Metal Manufacture (Huizhou) Co., Ltd. was located at Dalubei, Zhenlong Town, Huiyang Area, Huizhou City, Guangdong Province, China. The total land area occupied by the facility was about 120,000 square meters and the structure area was 71,000 square meters. They started their operation at existing location since April 2003.</p> <p>A total of 496 employees including 268 male employees and 228 female employees were working in the facility. The ages ranged from 19 to 63 years old. 481 employees were non-management employees and 15 were management level employees. There were 70 local employees in the facility. Migrant employees came from other provinces such as Hunan, Sichuan, Guangxi, Hubei and Guizhou. All employees were hired by the facility directly.</p> <p>The working hour was one shift from 08:00 to 17:30 with 1.5 hours' lunch break from 12:00 to 13:30 except the punching employees, cutting employees and printing employees which worked in two shifts: 08:00-20:00; 20:00-08:00 next day with 2 overtime hours. Facial scan attendance system was used for time keeping for employees. Employees' wages were calculated on hourly-rated basis and paid monthly by bank autopay. The peak month was not obvious as per the facility management.</p>	

In view of the facilities, the facility consisted of two 4-storey and part of one flat building used as production floors and warehouse. One 8-storey building was used as offices and dormitory. One 6-storey building was used as dormitory building. One kitchen and canteen were available for employee which were located on 1/F of the 6-storey dormitory building. Detail as below:

Production building No. A	Description	Remark, if any
Floor 1	Cutting, punching	Construction year: 2009
Floor 2	Packing	Construction year: 2009
Floor 3-4	Warehouse	Construction year: 2009
Is this a shared building?	No	Nil

Production building No. B	Description	Remark, if any
Floor 1	Cutting, punching	Construction year: 2008
Floor 2	Packing	Construction year: 2008
Floor 3-4	Warehouse	Construction year: 2008
Is this a shared building?	No	Nil

Production building No. C	Description	Remark, if any
Floor 1	Printing, production area by another facility named Mei Sheng Long Technology and Science Co., Ltd.	Construction year: 2006
Is this a shared building?	Yes	Nil

Office building	Description	Remark, if any
Floor 1	Office	Construction year: 2009
Floor 2-8	Office, dormitory	Construction year: 2009
Is this a shared building?	No	Nil

Dormitory building	Description	Remark, if any
Floor 1	Kitchen, canteen	Construction year: 2006

	<table border="1" data-bbox="655 219 1485 353"> <tr> <td data-bbox="655 219 871 286">Floor 2-6</td> <td data-bbox="871 219 1166 286">Dormitory rooms</td> <td data-bbox="1166 219 1485 286">Construction year: 2006</td> </tr> <tr> <td data-bbox="655 286 871 353">Is this a shared building?</td> <td data-bbox="871 286 1166 353">No</td> <td data-bbox="1166 286 1485 353">Nil</td> </tr> </table> <p data-bbox="655 389 1485 712">Two other facilities named Mei Sheng Long Technology and Science Co., Ltd. and Geli Food Co., Ltd. were located within the same boundary. Mei Sheng Long Technology and Science Co., Ltd. manufactured molds and used one 4-storey office building, part of one flat building and whole two flat production buildings. Geli Food Co., Ltd. manufactured biscuits and used one 4-storey production building. These facilities had the separate business licenses and management systems. No employee was shared among these facilities, so these two facilities were out of the audit scope in this audit.</p> <p data-bbox="655 748 1485 846">Besides, in the facility, there was one 10-storey production building, one 5-storey production building and two 6-storey dormitory buildings not yet delivered for use.</p> <p data-bbox="655 882 1485 981">F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p data-bbox="655 981 1485 1048">F2: Please give details: No cracks or other structural issued found in this audit, all buildings were kept in good conditions.</p> <p data-bbox="655 1084 1485 1182">F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p data-bbox="655 1218 1485 1308">F4: Please give details: All buildings were well maintained in good conditions. And the reports of construction completion acceptance were provided for review.</p>	Floor 2-6	Dormitory rooms	Construction year: 2006	Is this a shared building?	No	Nil
Floor 2-6	Dormitory rooms	Construction year: 2006					
Is this a shared building?	No	Nil					
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <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						
H: Month(s) of peak season: (if applicable)	The peak season was not obvious in the facility.						
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p data-bbox="655 1783 1485 1816">The main products manufactured by the facility were tin cans.</p> <p data-bbox="655 1850 1485 1917">The main production processes were listed as follows: Cutting, printing, punching and packing.</p> <p data-bbox="655 1951 1485 1984">The main machine list of the facility was as following:</p>						

	79 cutting machines, 5 printing machines, 389 punching machines, etc.
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation: 55%
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If Yes approx. % of workers: N/A
N: Were all site-provided accommodation buildings included in this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: If No, please give details: N/A

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 09:10 A2: Day 1 Time out: 17:10	A3: Day 2 Time in: 09:05 A4: Day 2 Time out: 17:05	A5: Day 3 Time in: 09:05 A6: Day 3 Time out: 13:35
B: Number of auditor days used:	Total 2.5 man-days (one auditor 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: 4 weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ms. Wu Lizhi / Compliance Specialist		
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:	29 th - 30 th August 2022		
J: Previous audit type:	Periodic		
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	
	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. One worker representative was present in the opening and closing meetings.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	There was no union at this facility.		

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	37	0	0	222	0	0	0	259
Worker numbers – female	29	0	0	193	0	0	0	222
Total	66	0	0	415	0	0	0	481
Number of Workers interviewed – male	2	0	0	13	0	0	0	15
Number of Workers interviewed – female	2	0	0	9	0	0	0	11
Total – interviewed sample size	4	0	0	22	0	0	0	26

A: Nationality of Management	China	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities: B1: Nationality 1: <u>China</u> B2: Nationality 2: _____ B3: Nationality 3: _____</p> <p>14% = Local workers from Guangdong province 0% = Foreign migrant workers 86% = Domestic Migrant workers from other provinces such as Hunan, Sichuan, Guangxi, Hubei and Guizhou</p>	<p>Was the list completed during peak season? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods: No peak season in the facility as per management.</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1 <u>100%</u> C1: approx % total workforce: Nationality 2 _____ C2: approx % total workforce: Nationality 3 _____</p>	
D: Worker remuneration (management information)	<p>D: _____% workers on piece rate D1: <u>100</u>% hourly paid workers D2: _____% salaried workers</p> <p>Payment cycle: D3: _____% daily paid D4: _____% weekly paid D5: <u>100</u>% monthly paid D6: _____% other D7: If other, please give details</p>	

Worker Interview Summary	
A: Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" 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>	4 groups of 5 employees
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 4 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 N, please give details: N/A
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?	Nil
I: What did the workers like the most about working at this site?	Wages were paid on time and in compliance with legal requirements.
J: Any additional comment(s) regarding interviews:	Nil
K: Attitude of workers to hours worked:	Favourable
L. Is there any worker survey information available?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details: N/A	
M: Attitude of workers: <i>(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</i>	

26 employees were randomly selected for interview including 15 males and 11 females' employees, and they were interviewed as 4 groups of 5 employees evenly and the balance of 6 employees were interviewed individually.

The employees were assured of confidentiality, and they spoke freely of their views of the facility. All employees said they were satisfied with their employment at the facility.

All employees said they were satisfied with their employment at the facility 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 to their worker representatives who would take it to the management.

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

There was no union existed in this facility. One worker representative was interviewed. He was favourable with the management and the working conditions, and stated that the worker representatives could give suggestions on all parts of the site's practices, and the facility management would investigate their suggestions or concerns and respond to them in a timely manner.

O: Attitude of managers:
(Include attitude to audit, and audit process. Both positive and negative information should be included)

The facility management had a system in place to check their current practices against their clients' requirements and the local laws, and they took notice of the findings of the internal audit team and had established a Health & Safety committee to take care of health and safety concerns. Managers responsible for implementing legal and code standards and the independent and internal audits included the general manager, production manager and HR staff. The facility managements were interested in audit process and were able to discuss the found issues in open and honest manner. All necessary areas were allowed access for tour and a private room was arranged for employees' interview. In the closing meeting, the management appeared receptive to the current findings.

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:

- This facility established relevant policy and endorsed at the highest level to cover the human rights impacts and issues, and such policy had been communicated to all appropriate parties, including its own suppliers;
- Ms. Wu Lizhi / Compliance Specialist was designated to be responsible for implementing standards concerning Human rights;
- The facility had identified their stakeholders and salient issues;
- The facility measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights;
- Where businesses had an adverse impact on human rights within any of their stakeholders, they addressed these issues and enabled effective remediation;
- The facility 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:

- Policy regarding human rights issues provided for review
- Appointment letters to enhance the implement of human right issues
- Training records provided for employees regarding communications and acknowledgement
- Internal audit documents

- Written social compliance commitments from suppliers and social compliance assessment reports for its suppliers
- Management interview and employee 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 policy expressed that human rights would be respected by facility.</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: Ms. Wu Lizhi Job title: Compliance Specialist</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 reporter's personal information would not be revealed, and the reporting practice would never effect the working arrangement or promotion/position.</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 Relevant training regarding grievance mechanism would be provided to employees when they joined the facility. Of which included Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement, and employees could raise their suggestions by suggestion box, direct supervisor or worker's committee.</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: Relevant training regarding privacy procedures would be provided to employees when they joined the facility.</p>

Findings		
<p>Finding: Observation <input type="checkbox"/></p> <p>Description of observation: None observed.</p>	<p>Company NC <input type="checkbox"/></p>	<p>Objective evidence observed: Not applicable</p>

<p>Local law or ETI/Additional elements / customer specific requirement: Not applicable</p> <p>Comments: Not applicable</p>	
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Good examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</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 _4.8_ %
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]	4.8%	
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: _2.3_ %	C2: This year _2_ %
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	2.1%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: The facility established written accident handling procedure and corresponding forms. Through reviewing the provided accident log, no accidents occurred in past 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: 0
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: 0
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
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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:

1. The facility implements and maintains systems for delivering compliance to this Code.
2. Ms. Wu Lizhi / Compliance Specialist was responsible for compliance with the Code.
3. The facility communicated this Code to all employees by various training and bulletin board and to their suppliers by trainings.
4. The facility communicated the set objectives to their respective contractors and suppliers as well through providing copy of written policies and procedures.
5. The facility obtained the following certificates: ISO9001, No.: CN13/30179 (valid period from 5th February 2022 to 4th February 2025), ISO14001, No.: CN13/30123 (valid period from 23rd January 2022 to 22nd January 2025), BRCGS, No.: 29328 (valid period from 18th June 2022 to 25th June 2023).

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

Details:

- Management interview
- Employee Handbook & procedures, labor contract, training records were reviewed.
- Employee interview
- External social compliance audit report
- ISO certificates

Any other comments:

Nil

Management Systems:

<p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: N/A, no any fine/prosecution in past year.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

	B1: Please describe: The facility had established the policies and procedures for forced labour, child labour and discrimination, harassment and abuse.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	The facility had provided relevant trainings for employees.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please describe: The facility provided regular trainings in the standards for forced labour, child labour, discrimination, harassment and abuse for both management and workers.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Regular training records were provided for review. The latest training was held on 10 th November 2022. The employees were aware clearly of the facility's relevant policies and procedures according to the interviews.
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).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please describe: The facility obtained the following certificates: ISO9001, No.: CN13/30179 (valid period from 5 th February 2022 to 4 th February 2025); ISO14001, No.: CN13/30123 (valid period from 23 rd January 2022 to 22 nd January 2025.
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please describe: The facility had Human Resources department which in charge of the recruitment of employees, assignment of employees' post, etc. and Ms. Wu Lizhi / Compliance Specialist attended in the audit.
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe: Ms. Wu Lizhi / Compliance Specialist was assigned to responsible for implementation of the Code.
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please describe: All employees' personal information would be kept and only accessed by authorized staff, such as HR.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	J1: Please describe: All employees' personal information would be kept and only accessed by authorized staff, such as HR.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Details: Risk assessment would be conducted regularly to evaluate policy and procedure effectiveness.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Details: Any risk identified during assessment would be corrected immediately.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Details: The facility had its supplier filter program to ensure all suppliers in compliance with legal requirements regarding labour standards.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Details: The facility had provided property ownership certificate for all occupied buildings for review.
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: The site had a system in place to conduct legal due diligence relating to land title.
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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: The facility will public the land acquisition plan and obtain the free, prior and informed consent through internet.
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Details: The facility had provided property ownership certificates for all occupied buildings for review.
R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No R1: Details: N/A, not applicable for this facility.

<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</p> <p>S1: Details: NA, no illegal appropriation of land for facility building or expansion of footprint.</p>
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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: None observed.</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable</p>

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed.</p>	<p>Objective evidence observed: Not applicable</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. The interviewed employees raised no concerns of forced or bonded labour. They stated that they were free to leave their working stations once their shifts ended.
- 2. The interviewed employees stated that they were not required to pay any 'deposits' or leave their ID cards with the employer.
- 3. There was no forced, bonded or involuntary prison labour.
- 4. Employees were free to leave their employer if they notified in writing the employer 30 days in advance.

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

Details:

- 1. The facility's policy to ensure employment is freely chosen was reviewed. The policy includes the following clause: the facility does not require deposit or withhold employees' ID cards; the facility does not limit the employees' freedom; there is no forced, bonded or involuntary prison labour; and employees are free to leave their employer after reasonable notice.
- 2. Employment contracts were reviewed, and they contain the notice periods.
- 3. Management interview and employee interview.

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: N/A</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: N/A</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: N/A</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: NA. The freedom of employment termination was not restricted. Remark: There was no any restriction on employees' freedom to terminate employment. Employees were free to leave with 3 days' prior written notice within their probation period and could resign with one month's prior written notice after the probation period; the resigned workers would be given their full wages on their last day of work.</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: The facility was registered in China and not based in UK.</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: NA. Through employee interview, the workers' freedom was not restricted. Remark: There was no any restriction on employees' freedoms to leave the site at the end of the work day. According to the onsite observation and employee interviews, the employees were free to leave the workplace after their working hours every day.</p>
<p>G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: According to the document reviewed and management interviewed, there was no risk of forced / trafficked / bonded labour in its supply chain.</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: NA. The facility gave trainings on prohibition of forced / trafficked labour to all employees and conducted internal audit annually to reduce the risk of forced / trafficked labour.</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: None observed</p> <p>Local law and/or ETI requirement Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: (where relevant please add photo numbers) Not applicable</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective evidence observed: Not applicable</p>

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

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

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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:

Through management interview and employee interview, auditor confirmed that there was no union at the site. There were employee representatives elected by the employees in the facility. The facility did not interfere with employees' right to join legal associations and take part in their activities. Employees could raise their concerns through telephone, suggestion box, meeting and their direct supervisors.

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

Details:

- 1. Policy of freedom of association and right to collective bargaining
- 2. Policy about suggestions and appeals
- 3. Worker representatives' selection records and meeting records
- 4. Response records for employees' suggestions and appeals
- 5. Interview with worker representative, management and employees.

Any other comments:

Nil

<p>A: What form of worker representation/union is there on site?</p>	<p><input type="checkbox"/> Union (name): <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None</p>
<p>B: Is it a legal requirement to have a union?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>C: Is it a legal requirement to have a worker's committee?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

<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>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Suggestion box and meeting with management.</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The worker committee could use adequate facilities to conduct the business without Interference or restriction.</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>N/A No union in the facility.</p>	<p>F1: 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>One worker committee with 5 members in the facility.</p>	<p>G1: 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>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>I: Were worker representatives freely elected?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Date of last election: 26th October 2021</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>K: Were worker representatives/union representatives interviewed?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: One male worker representative was interviewed.</p>	
<p>L: Please describe any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i></p>	<p>Employees could send their grievances through worker representation and regularly meeting would be hold. For instance, the facility conducted meeting on 10th January 2023 and the main topics covered were as following: Spring festival. Based on onsite observation and employee interview, auditor noted that the meeting minute was posted at the notice board for employee reference after the meeting as per employee interview.</p>	
<p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No Collective Bargaining Agreement in this facility.</p>	
<p>If Yes, what percentage by trade Union/worker representation</p>	<p>M1: <u> N/A </u>% workers covered by Union CBA</p>	<p>M2: <u> N/A </u>% workers covered by worker rep CBA</p>
<p>M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A, no Collective Bargaining Agreement (CBA) happened.</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: None observed</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: (where relevant please add photo numbers) Not applicable</p>

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective evidence observed: Not applicable</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:

- 1. Fire safety: The facility established one written emergency preparedness procedure and appointed one top management representative to be responsible for emergency preparedness. Each production workshop was installed with at least 2 emergency exits and sufficient fire facilities such as fire extinguishers, fire hydrants, smoke detectors and fire alarms were installed in the facility. Such fire facilities were inspected once per month and all tested firefighting facilities were kept workable. Evacuation plans were posted at each emergency exit in the facility and marked "where you are" clearly. All evacuation routes and safety exits observed were clear. Newly coming employees were trained for fire safety during orientation training and refresh training. Fire drills were conducted twice per year for both day shift and night shift and covered all areas.
- 2. Electrical safety: All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards. Valid electrician license was provided. The warning signs were posted on the electrical panels.
- 3. Chemical Safety: MSDSs were posted at places where hazardous chemicals used/stored. Eye washing station with sufficient water supply was provided in this facility. The facility provided proper PPE to employees who were engaged in using hazardous chemicals and safety labels were provided for all hazardous chemicals used in the production area and warehouse.
- 4. Medical services: There were adequate first aid kits with sufficient supplies in the production area. There were 11 first aiders in the facility. Through review injury records, no injury case occurred in the past.
- 5. Machine Safety: Production machines were maintained and inspected regularly. No finding was raised about machine safety.
- 6. Occupation health safety: Hazardous chemicals were used in production processes, the facility had conducted regular occupational hazards factors evacuation, and the test result was in compliance with local regulation requirements. The facility arranged occupational health examination for all employees who were engaged in using hazardous chemicals, dust and/or high noise annually.
- 7. Brief of production areas: Potable water was freely available on each facility floor. Sufficient clean toilets segregated by gender were available at all times to employees. Ventilation, temperature and lighting were adequate for each area.
- 8. Employee safety awareness: Written Health and Safety Policies were established and implemented. The facility had a program to provide EHS training to all employees. The assigned person was responsible for

the facility health and safety regular checking, regular meeting minutes of proceedings were provided for review.

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
- Government licenses and checks on air quality and noise level
- Building structure safety certificate
- Trained first aider record
- Accident reports
- Interviews with H&S manager
- Interviews with employees and H&S committee members

Any other comments:

Nil

<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: The facility had established general Health & Safety and occupational Health & Safety policies and procedures and employees would be given relevant training on their entry date.</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 included facility's general Health & Safety and occupational Health & Safety policies and procedures and detailed requirements.</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: The site had valid building safety certificates.</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: All visitors would be introduced with H&S and provided with personal protective equipment if necessary.</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: N/A, no medical room or medical facility provided and no such legal requirement.</p>

F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: There were 11 qualified first aiders available in the facility.
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: N/A, no transportation was provided for employees.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Secure personal storage space was provided for workers in their dormitory room and fit for purpose.
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Such as overtime working hours were strictly controlled by HR.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: All legally required environmental permits including Environmental Impact Assessment report, Environmental Impact Assessment approval, Environmental Protection Acceptance Check for their construction project and annual pollutants monitoring reports were provided for review in this audit.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Customer requirements were collected and implemented by the facility well. No banned chemicals were used by the facility.

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: Safety facilities for hazardous chemicals were not compliant with legal requirement. During facility tour, auditor found that hazardous chemicals such as oil ink (Total volume was around 40 KG) were stored in printing workshop, but there was no secondary containment.</p> <p>Local law and/or ETI requirement Local law: In accordance with Regulations on the Safety Management of Dangerous Chemicals article 20, The units producing, storing dangerous chemicals shall, according to the categories and hazardous characteristics of the dangerous chemicals they producing, storing, set up the corresponding safety facilities and equipments for monitoring, aeration, protection against exposure to sun, temperature adjusting, fireproof, fire fighting, flameproof, pressure discharging, prevention of toxicants, neutralization, moistureproof,</p>	<p>Objective evidence observed: (where relevant please add photo numbers) Onsite tour Please refer to #1 NC picture for reference.</p>

<p>protection against thunder, protection against static, antiseptis, prevention of leakage, protection dams or segregated operations, etc.. In addition, the units shall carry out maintenance and caring regularly according to the national standards, industrial standards or the relevant provisions of the State, thus to guarantee the safety operations of facilities and equipments.</p> <p>ETI Requirement: 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.</p> <p>Recommended corrective action: It is recommended that the facility should set up the corresponding safety facilities and equipments in workshop for hazardous chemicals as per legal requirement.</p>	
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

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. Through the facility tour, it was noted that there were no children on site.
- 2. The facility verified all employees' original ID cards at the time of recruitment and kept the photocopies of employee' ID cards in the personnel files.

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

Details:

- 1. The employees' personnel files included a bio-data sheet, a recent photo and the age documentation, which was in the form of photocopied national identification card. The card listed the employee's name, household address and the date of birth.
- 2. Child labour policy stated that the facility will never employ and use any child labour under the age of 16 years old.
- 3. Facility tour
- 4. Management interview

Any other comments:

Nil

A: Legal age of employment:	16 years old
B: Age of youngest worker found:	19 years old
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 No child presented on workforce at time of audit.
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

(Go to clause 3 – Health and Safety)	E1: If yes, give details N/A, all employees were above 18 years old.
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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: None observed</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p> <p>Not applicable</p>

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed:</p> <p>Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

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. The local minimum wage standard was set at RMB 1720 per month equivalent to RMB 9.89 (1720/21.75/8) per hour since 1st December 2021.
2. Social insurance and commercial insurance was provided to all employees. Other benefits such as post allowance, statutory holidays, annual leave, maternity leave, sick leave and work-related injury leave, etc. were provided to eligible employees.
3. All employees are 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.
4. There was no evidence of deductions for disciplinary reasons, and this was also confirmed during employee interviews.
5. Based on the provided payroll records and attendance records, auditor found all employees' wages were calculated by hourly rate. Minimum wage in this facility was paid at RMB 1720 per month during the reviewed period as per employee labour contract and payroll review.
6. Wages were paid at end of each month after working period and the wages of current month (December 2022) were paid on 13th January 2023.

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

Details:

Document review

Employee interview

Local and national laws

Wages and benefits policy

Local legal minimum wage documents

Payroll records from August 2022 to December 2022 (current month) and attendance records for the period from 31st August 2022 (the day after the last audit) to 15th February 2023 were reviewed

Leave records

Latest 3 months of social insurance receipts and commercial insurance receipts

Labour contracts for all sampled employees

Resignation records

Hours records to check hourly rates and any overtime premiums

Production related records including Temperature and Humidity Records, Production Statistics Daily Reports, IPQC Inspection Reports, Warehouse In/out Records, etc. from September 2022 to February 2023 were provided to crosscheck the compliance status of wages and working hours and no inconsistencies were noted.

Any other comments:
Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:
None observed

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Not applicable

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 and 40 hours per week	A1: 8 hours per day and 40 hours per week	A2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No Collective Bargaining Agreement in the facility.
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 and 36 hours per month	B1: 2 hours per day, 20 hours per week, 96 hours per month	B2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No Collective Bargaining Agreement in the facility.
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: RMB 1720 per month equivalent to RMB 9.89 (1720/21.75/8) per hour since 1 st December 2021.	C1: At least RMB 1720 per month during the reviewed period	C2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No Collective Bargaining Agreement in the facility.
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: 1) No less than 150% of the normal wages for overtime working on normal weekdays; 2) no less than 200% of the normal wages for overtime working on rest day if no deferred rest can be taken; 3) no less than 300% of the normal wages for overtime working on	D1: 150%, 200% and 300% of the normal wages for overtime hours on weekdays, rest days and Statutory Holidays respectively.	D2: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A. No Collective Bargaining Agreement in the facility.

	statutory holidays		
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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>	26 employees from December 2022 (current month) 26 employees from November 2022 (random month) 26 employees from October 2022 (random month)		
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	
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	D1: If No , please give details: N/A	
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> RMB 1720 per month equivalent to RMB 9.89 (1720/21.75/8) per hour	
F: Please indicate the breakdown of workforce per earnings:	F1: ___% of workforce earning under minimum wage F2: ___100___% of workforce earning minimum wage F3: ___% of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: full time employees and please state hour / week / month etc.</i> Monthly bonus would be provided for employees based on their post status. RMB500-2400 were paid to employees as per the payroll records of December 2022.		
H: What deductions are required by law e.g. social insurance? Please state all types:	Social insurance fees (employment injury insurance, unemployment insurance, basic endowment insurance, basic medical insurance (including maternity insurance) and personal income tax		
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Please list all deductions that have been made.	1. Social insurance; 2. personal income tax Please describe: Deductions were made by local law

		Please list all deductions that have not been made.	No
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: The records reflected all time worked.		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: N/A		
M2: If yes, what was the calculation method used.	<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		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: N/A		
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Through facility rules review, payroll records review and employees' interview, it was confirmed that equal rates were being paid for equal work.		
Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other		

	Q1: If other, please explain:
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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:

1. Working time policy and controlling procedure were established and implemented in the facility.
2. Overtime was voluntary.
3. Working time policy and controlling procedure were communicated to the employees through regular trainings.
4. Working time was adequately recorded and kept by the facility.
5. The employees' attendances were recorded by facial scan system, and the shift start time and shift end time were recorded accordingly.
 - Based on provided attendance records and employee interview, basic working hours were 8 hours per day and 40 hours per week. The maximum daily overtimes were 2 hours. Maximum monthly overtime hours were exceeded local law limit, which were 96 hours; maximum weekly working hours were 60 hours.

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

Details:
 Employee interview
 Management interview
 Local and national laws
 Facility policy on working hours
 Attendance records
 Payroll records with all sampled employees' signatures
 Employees contracts
 Attendance records from 31st August 2022 (the day after the last audit) to 15th February 2023 were reviewed.
 Production related records including Temperature and Humidity Records, Production Statistics Daily Reports, IPQC Inspection Reports, Warehouse In/out Records, etc. from September 2022 to February 2023 were provided to crosscheck the compliance status of wages and working hours and no inconsistencies were noted.

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:</p> <p>Overtime hours exceeded the legal requirement. Through document review, auditor found that the monthly overtime hours of 26 out of 26 randomly selected employees ranged from 84 to 94 hours in December 2022 (current month), 76 to 84 hours in November 2022 (random month) and 88 to 96 hours in October 2022 (random month).</p> <p>Local law and/or ETI requirement: Local law: In accordance with the PRC Labour Law 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 labourers, 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 labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours. ETI requirement 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.</p> <p>Recommended corrective action: It is recommended that the facility should reduce the overtime hours to ensure it is within 36 hours per month.</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> Attendance records and payroll records review Employee interview</p>
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Observation:

<p>Description of observation: None observed</p>	<p>Objective evidence observed:</p>
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<p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Not applicable</p>
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Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

Working hours' analysis Please include time e.g. hour/week/month (Go back to Key information)					
Systems & Processes					
A. What timekeeping systems are used: time card etc.	Describe: Facial scan attendance system was used for time keeping for employees.				
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details N/A				
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<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: N/A				
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: If YES, please complete as appropriate:				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center; padding: 2px;"><input type="checkbox"/> 0 hrs</td> <td style="width: 25%; text-align: center; padding: 2px;"><input type="checkbox"/> Part time</td> <td style="width: 25%; text-align: center; padding: 2px;"><input type="checkbox"/> Variable hrs</td> <td style="width: 25%; text-align: center; padding: 2px;"><input type="checkbox"/> Other</td> </tr> </table>		<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		
If "Other", Please define:					
N/A					
E. Do any standard/contracted working hours defined in contracts/employment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes , please detail hours, %, types of workers affected and frequency Please give details: N/A				

agreements exceed 48 hours per week?		
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Maximum number of days worked without a day off (in sample):	
	All sampled employees maximum worked consecutively 6 days during the sampled months.	
Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency:
		N/A
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details:
		N/A
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: Daily overtime hours: 2 hours in December 2022 (current month); 2 hours in November 2022 (random month); 2 hours in October 2022 (random month). Weekly overtime hours: 20 hours in December 2022 (current month); 20 hours in November 2022 (random month); 20 hours in October 2022 (random month). Monthly overtime hours: 94 hours in December 2022 (current month); 84 hours in November 2022 (random month); 96 hours in October 2022 (random month).	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Through document review, auditor found that total working hours per week of all randomly selected employees were 60 hours in maximum in all sampled months.

K: Approximate percentage of total workers on highest overtime hours:	__90__%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<i>L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:</i> <i>The voluntary overtime policy was provided for review. Regular trainings were provided for employees. Through employee interview and documentation review, it was confirmed that overtime was voluntary.</i>
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<i>M1: Please give details of normal day overtime premium as a % of standard wages:</i> <i>150% of the normal wages for the overtime hours on weekdays.</i> <i>Remark:</i> <i>Per the Wage & benefit policy and controlling procedure, the provided attendance records, payrolls, and worker interviews, 150%, 200% and 300% of the normal wages were provided for the overtime hours on weekdays, rest days and statutory holidays respectively in the sampled months for 100% of workers.</i>
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>N1: If yes, please describe % of workers & frequency:</i> <i>100% of workers paid by monthly</i>
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.	<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	
		O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other
	N/A	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) N/A	
		P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:

	The weekly working hours did not exceed 60 hours.
<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 <input checked="" type="checkbox"/> No Q1: If yes, please give details: N/A</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 <input type="checkbox"/> No N/A, no such circumstance per management interview.</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:

Through employees' interview, management interview and documents review:

1. There was no discrimination in hiring, compensation, access to training, promotion, termination or retirement.
2. The facility provided the same pay to male/female employees.

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

Details:

1. Non-discrimination policy was provided for review and it showed that no discrimination was available in hiring, compensation, access to training, promotion, termination or retirement.
2. Facility tour
3. Management interview and employee interview

Any other comments:

Nil

<p>A: Gender breakdown of Management + Supervisors (Include as one combined group)</p>	<p>A1: Male: <u>60</u> % A2: Female <u>40</u> %</p>
<p>B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:</p>	<p>#: 0, no such female employees were hired in this facility as per employee roster review and management interview.</p>
<p>C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:</p>	<p> <input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found </p> <p>C1: Please give details: N/A</p>

Professional Development	
A: What type of training and development are available for workers?	On-going training was available to enable employees to progress. An equal and clear fair selection criteria was in place for all promotions and benefits.

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: N/A. All employees receive all benefits to which they were entitled. There was clear progression path available for all workers.
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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: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: (where relevant please add photo numbers) Not applicable

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:

Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable
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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:

The facility signed labour contracts with employees within 30 days after employment. Employees had a copy of the contract in their own language and received the pay slip in their own language. No temporary employees were noted in the facility.

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

Details:

1. Personnel files were checked and they all included a copy of employee's contract.
2. Management interview and employee interview

Any other comments:

Nil

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: None observed</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: (where relevant please add photo numbers) Not applicable</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</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 checked="" 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: N/A</p>

<p>C: If yes, check all that apply:</p>	<ul style="list-style-type: none"> <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 – <p>C1: If other, please give details: N/A</p>
<p>D: If any checked, give details:</p>	N/A

<p>Migrant Workers:</p> <p><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></p>			
<p>A: Type of work undertaken by migrant workers:</p>	<p>All types of work included migrant workers.</p>		
<p>B: Please give details about recruitment agencies for migrant workers:</p>	<p>B1: Total number of (in country recruitment agencies) used: None</p> <p>B2: Total number of (outside of local country) recruitment agencies used: None</p> <p>All migrant workers were recruited by the facility directly.</p>		
<p>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?</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No <p>C1: Please describe finding: Not applicable (there was no such kind of deduction from the workers' wages)</p> </td> <td style="width: 50%; vertical-align: top;"> <p>C2: Observations: Not applicable (there was no such kind of deduction from the workers' wages)</p> </td> </tr> </table>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No <p>C1: Please describe finding: Not applicable (there was no such kind of deduction from the workers' wages)</p>	<p>C2: Observations: Not applicable (there was no such kind of deduction from the workers' wages)</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No <p>C1: Please describe finding: Not applicable (there was no such kind of deduction from the workers' wages)</p>	<p>C2: Observations: Not applicable (there was no such kind of deduction from the workers' wages)</p>		

<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: If yes, number and example of roles: One management staff was migrant worker.</p>
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NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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 B1 – If other, please give details: N/A
C: If any checked, give details:	N/A

Agency Workers (if applicable)	
<p><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></p>	
A: Number of agencies used (average):	A1: Names if available: N/A, no agency used by facility

B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A, no agency used by facility
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A, no agency used by facility
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: N/A, no agency used by facility
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: N/A, no agency used by facility

Contractors: <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>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details: No contractor used by facility
B: If Yes , how many workers supplied by contractors?	N/A, no contractor used by facility
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: N/A, no contractor used by facility
D: If Yes , please give evidence for contractor workers being paid per law:	N/A, no contractor used by facility

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:

It was verified through documentation review, facility tour and management interview that no homeworking or sub-contracting was used by this facility.

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

Details:

1. Incoming material inspection records and materials receiving records were reviewed, and there was no sign of homeworking or sub-contracting.
2. Facility tour
3. Management interview and employee interview
4. Through management interview, it was noted that none of sub-contracting was used by this facility

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

NC against customer code:

None observed

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI/Additional elements requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</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 D1: If Yes, summarise details:</p>
<p>E: What checks are in place to ensure no child labour is being used and work is safe?</p>	

Summary of homeworking – if applicable <input checked="" type="checkbox"/> 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

<p>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 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The facility provided a grievance mechanism to employees (such as worker representatives and suggestion box) to report any violations of Labour standards and H&S or any other grievances. And the reporter would be confidential for all reporters.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>Yes. Through onsite interview, all interviewed employees stated that they knew the channels.</p>
<p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Suggestion box and verbal exchanges</p>
<p>D: Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Workers <input checked="" type="checkbox"/> Communities <input checked="" type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: The grievance mechanism included a provision for non-retaliation and it allowed workers to report issues anonymously.</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details: N/A</p>
<p>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)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details: N/A</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain: N/A</p>

<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>H1: If no, please give details: N/A</p>
<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>I1: If yes, please give details: N/A</p>

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 facility established anti-harsh or anti-inhumane treatment policy. The policy stated that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
2. The facility established a disciplinary procedure for employees' misbehaviour which included oral warning, written warning and finally termination.
3. As per employee interview, the anti-harsh or anti-inhumane treatment policy and disciplinary procedure were communicated to the employees through regular trainings.
4. As per employee interview, there was an internal process for grievance, where employees can report any grievances (harassment, bullying, discrimination etc.) and any received complaint will be handled by management. The grievance mechanisms were legitimate, accessible and equitable.

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

Details:

1. The anti-harsh or anti- inhumane treatment policy and disciplinary procedure
2. Training records regarding anti-harsh or anti-inhumane treatment policy and disciplinary procedure
3. Internal grievance procedure
4. Facility tour
5. Management interview and employee interview

Any other comments:

Nil

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: None observed</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p> <p>Not applicable</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed:</p> <p>Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</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:

Per documents review, all employees in the facility had the proper legal rights. All employees signed labour contracts directly with facility and no talent agency were involved in their recruitment processes. There was no agency staff in the facility. All recruitments were done directly by the facility via the current employees' introductions or recruitment advertisement.

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

Details:

1. Employment contracts and hiring policy were reviewed and they contained the clause that only employees with a legal right to work will be hired by the company.
2. Management interviewed, and employee interviewed

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

NC against customer code:

None observed

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

<p>Description of observation: None observed</p> <p>Local law or ETI/Additional Elements requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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<p style="text-align: center;">Good examples observed:</p>	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

10. Other issue areas 10B4: Environment 4–Pillar

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

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co–ordinating the site's efforts to improve environmental performance.

B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment, the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

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 facility was registered on Sedex.
- The facility established the environmental protection policy for review.
- The facility had compiled one written significant environmental factors of their site and its processes.
- The facility measured and monitored its energy usage. The facility monitored electricity monthly. Water usage was monitored monthly and a matrix report was kept on file.
- The facility established a comprehensive and tested emergency plan to mitigate environmental impact in case of incidents.
- Ms. Wu Lizhi / Compliance Specialist was appointed responsible for environmental issues.
- The facility had not been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.
- The facility provided all legally required environmental permits/licenses

- The facility had conducted monitoring for the discharged domestic wastewater/perimeter noise/waste gas on 25th October 2022.
- Environmental pollution emergency plan was established, and the hazardous waste was submitted to qualified agency for disposal.
- The facility had obtained ISO 14001 certificate.

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

Details:

- Valid business license and qualification permit of hazardous wastes disposal unit;
- Valid hazardous waste treatment contract between the facility and the hazardous wastes disposal unit;
- Duplicated forms for transferring hazardous waste;
- Environmental Impact Assessment report, Environmental Impact Assessment approval, Environmental Protection Acceptance Check for their construction project and pollutants annual monitoring reports;
- Environmental policy;
- Energy bills;
- Water bill;
- Employee and management interview;
- Site tour
- ISO 14001 certificate

Any other comments:

None

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local
 NC against customer code:
 None observed

Local law and/or ETI/Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI/Additional elements requirements:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

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Good examples observed:	
<p>Description of Good Example (GE):</p> <p>Per document review and management interview, the facility had obtained ISO 14001:2015, No. of the certificate: CN13/30123 (valid period from 23rd January 2022 to 22nd January 2025).</p>	<p>Objective Evidence Observed:</p> <p>Document review and management interview.</p>

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Ms. Wu Lizhi / Compliance Specialist
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Risk assessment on the environmental impact of the site was provided for review.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: ISO14001, No.: CN13/30123 (valid period from 23 rd January 2022 to 22 nd January 2025)
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? The facility wrote environmental policy into factory regulation and posted it on notice board.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility provided the environmental impact report form and environment impact assessment approval.
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: Site did not have any such certification.
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: The facility obtained all legally required permits including but not limited to Environmental Impact Assessment report, Environmental Impact Assessment approval, Environmental Protection Acceptance Check for their construction project and pollutants annual monitoring reports; valid contract between the facility and the hazardous wastes disposal unit, duplicated forms for transferring hazardous waste, etc.

I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A I1: Please give details: The facility provided the duplicated form for transferring hazardous waste for review.
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: This was included in the site's internal management system.
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Reduction target was included in environmental policy.
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: Please give details: No such evidence was provided for review.
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Water and energy consumption records were provided for review.
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: This was included in assessment of suppliers.

Usage/Discharge analysis

Criteria	Previous year: Please state period: September 2021-August 2022	Current Year: Please state period: September 2022-January 2023
Electricity Usage: Kw/hrs	5,850,000 Kw/hrs	6,006,410 Kw/hrs
Renewable Energy Usage: Kw/hrs	No Renewable Energy on site	No Renewable Energy on site
Gas Usage: Kw/hrs	0 Kw/hrs	0 Kw/hrs
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	N/A	N/A
Water Sources:	• Local water authority	• Local water authority

Please list all sources e.g. lake, river, and local water authority.		
Water Volume Used: (m ³)	42,000 m ³	33,000 m ³
Water Discharged: Please list all receiving waters/recipients.	•Municipal drainage pipe	• Municipal drainage pipe
Water Volume Discharged: (m ³)	42,000 m ³	33,000 m ³
Water Volume Recycled: (m ³)	0 m ³	0 m ³
Total waste Produced (please state units)	Waste water: 5800 m ³ ; Living waste and other non-recyclable waste: 6400 kilograms; Recyclable waste: (1) waste packing materials and papers: 2900 kilograms; (2) waste production materials: 4320 kilograms; Hazardous waste: 92 kilograms	Waste water: 3000 m ³ ; Living waste and other non-recyclable waste: 3500 kilograms; Recyclable waste: (1) waste packing materials and papers: 1000 kilograms; (2) waste production materials: 1320 kilograms; Hazardous waste: 52 kilograms
Total hazardous waste Produced: (please state units)	Hazardous waste: 92 kilograms	Hazardous waste: 52 kilograms
Waste to Recycling: (please state units)	Recyclable waste: (1) waste packing materials and papers: 2900 kilograms; (2) waste production materials: 4320 kilograms	Recyclable waste: (1) waste packing materials and papers: 1000 kilograms; (2) waste production materials: 1320 kilograms
Waste to Landfill: (please state units)	0	0
Waste to other: (please give details and state units)	Waste water: 5800 m ³ ; Living waste and other non-recyclable waste: 6400 kilograms	Waste water: 3000 m ³ ; Living waste and other non-recyclable waste: 3500 kilograms
Total Product Produced (please state units)	2,550,000 pieces	1,020,000 pieces

10C: Business Ethics – 4-Pillar Audit

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

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

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 facility provided the SAQ for review.
2. The company manager was the designated person responsible for implementing standards concerning Business Ethics.
3. The company established a business ethics policy which was communicated to employees through posters and training.
4. The site had received and read the Business Ethics policy of the auditor/audit company.
5. There was an internal grievance process, which was an anonymous email address.

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

Details:

1. The company business ethics policy
2. Law, regulations and client requirements list

<p>3. Employee manual 4. Business ethics training records 5. Confidential agreement 6. Employee interview 7. Management interview</p> <p>Any other comments: Nil</p>

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local <input type="checkbox"/> NC against customer code: None observed</p> <p>Local law and/or ETI/Additional Elements requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable</p>

Observation	
<p>Description of observation: None observed</p> <p>Local law or ETI/Additional elements requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

<p>A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p>	<p><input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers</p> <p>A1: Please give details: Business ethics was included into facility regulations and supplier assessments.</p>
<p>B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B1: Please give details: Yes. Training records were maintained and provided for review.</p>
<p>C: Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C1: Please give details: This schedule was included in internal annual assessment.</p>
<p>D: Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: Please give details: This was included in supplier assessments.</p>

Other findings

Other Findings Outside the Scope of the Code

None observed

Community Benefits

(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)


None observed

Photo Form

Best Practice Photos:

None observed	None observed	None observed
N/A	N/A	N/A

Non-compliance Photos:

	None observed	None observed
No secondary container for oil ink (NC1)	N/A	N/A

General photos:

		
Facility name	Main gate	Office building

<p>Production buildings</p>	<p>Production building-printing area</p>	<p>Finished goods warehouse</p>
<p>Cutting process</p>	<p>Punching process</p>	<p>Printing process</p>
<p>Packing process</p>	<p>Electric box with warning sign</p>	<p>Evacuation map</p>
<p>Fire extinguishers</p>	<p>Evacuation staircase</p>	<p>No smoking sign</p>



Drinking water facility	First aid kits	Toilet
		
Dormitory building	Bedroom	Canteen
		None observed
Kitchen	Personal locker	N/A



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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:

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http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

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