

## Wenzhou Case Packaging Co., Ltd. (L-2591)



**Report Date:** August 12, 2020  
**Audit Date:** August 7, 2020  
**Factory ID number:** L-2591

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**Subject:** **Summary of Findings - Supplier GBS Audit**  
Wenzhou Case Packaging Co., Ltd. (L-2591)  
No. 134 West Juguangyuan Road, Lucheng District, Wenzhou City, Zhejiang Province, China

**Audit Cycle:** Initial Audit

This report summarizes the findings of the Environment, Health and Safety Audit conducted at the facility of **Wenzhou Case Packaging Co., Ltd.** located at **No. 134 West Juguangyuan Road, Lucheng District, Wenzhou City, Zhejiang Province, China.**

The findings of the GBS Reviews were based upon a review of the documents furnished by **Wenzhou Case Packaging Co., Ltd.** and the observations obtained by **AECOM** on behalf of NBCUniversal during the Site visit on **August 7, 2020**. For the purpose of this audit, the facility of **Wenzhou Case Packaging Co., Ltd.** is referred to as the 'Site' in this report.

**Guidance:**

The GBS Assessment Report summarizes the Site audit findings and includes a corrective, and preventative action plan that both the Auditor and the Site Manager believe is reasonable to ensure conformity with the country specific and local laws.

NBCUniversal (NBCU) upholds a worldwide reputation for integrity and high standards of business conduct. NBCU Supplier Relationship Policy requires that we source only from Factories who comply with local laws and any applicable NBCU standards in such areas as labour, environment, health and safety. In order to ensure compliance with applicable laws and company policies, please provide evidence of closure on all open red findings within 90 days from receipt of report.

If you have any questions about the memorandum please contact George Dong / AECOM <George.dong@aecom.com>, and Karen Tiongson / NBCUniversal <Karen.Tiongson@nbcuni.com>.

"AECOM" (on behalf of NBCUniversal)

Supplier General Information	
<b>Name of Factory</b>	Wenzhou Case Packaging Co., Ltd. (温州市凯世包装有限公司)
<b>Physical Location Address</b>	No. 134 West Juguangyuan Road, Lucheng District, Wenzhou City, Zhejiang Province, China (中国浙江省温州市鹿城区炬光园西路 134 号)
<b>Factory Contact Name(s)</b>	Ms. Biling Zhao, Sales Manager (赵碧玲, 销售经理)
<b>Factory Contact Number/Email</b>	Tel.: +86-577-28988167 Mobile: +86- 13566291589 Email: sales2@wzcase.com; 1106148867@qq.com
<b>Official Factory Website</b>	None
<b>Waivers from Government</b>	None
<b>Certifications received from Government or other Companies.</b>	None
<b>Principle Products Manufactured</b>	Glasses cases, glasses cloth
<b>Annual Output of Products</b>	Approximately 3 million pieces
<b>Major Customers</b>	None
<b>Production Process</b>	Cutting, screen-printing, heat-transfer printing, gluing, sewing, assembly, inspection and packing
<b>Factory Normal Working Days and Normal Work Hours</b>	Monday to Friday, five days a week, 8-hour regular work Daily working hours: 8:30~12:00; 13:00~17:30
<b>Departments that run more than one shift</b>	None
<b>Peak Production Months</b>	None
<b>Number of Production Buildings</b>	One 3-story production building
<b>Canteen/Cafeteria Services</b>	None
<b>Dormitories</b>	None
<b>Security</b>	Per the Site representative, there was 1 internal hired security guard working at the Site 8 hours per day during working hours. The Site compound was closed at night. Closed Circuit Television (CCTV) cameras were installed in each workshop and warehouse at the Site.

Overall findings	In view of findings raised, non-compliances were observed in the areas of wage & benefits, fire prevention/emergency response, occupational health & safety, environmental conditions and medicals. Details of the findings are listed below. For all other areas, no violations or non-compliances were noted.
Findings	<b>Total Findings – 10</b>  <b>Black Flags – 0</b> <b>Red Flags - 5</b> <b>Yellow Flags - 5</b>
Permits - the following government documents and permits were provided for review.	<ol style="list-style-type: none"> <li>1. Safety Responsible Personal Training Certificate for Mr. Wei Sun, and Safety Management Training Certificate for Ms. Yuan Cheng, issued by Wenzhou City Lucheng District Emergency Management Bureau, valid until August 2022;</li> <li>2. Environmental Impact Assessment (EIA) Status Report and its corresponding registration record, issued by Wenzhou City Ecology and Environment Bureau (EEB) Lucheng Branch, November 4, 2019;</li> <li>3. Environmental Monitoring Report for boundary noise and domestic wastewater, prepared by Zhejiang Chuanglong Environment Testing Technology Co., Ltd., April 1, 2020;</li> <li>4. Environmental Monitoring Report for air emission, prepared by Zhejiang Chuanglong Environment Testing Technology Co., Ltd., November 6, 2019;</li> <li>5. First Aider Certificate of 1 staff, issued by Wenzhou Red Cross in June 2019;</li> <li>6. Use Permit and Special Equipment Inspection Report for 1 elevator, issued by Wenzhou Special Equipment Inspection Institute, valid until August 31, 2020; and</li> <li>7. Special Operation Certificate for one electrician, issued by Zhejiang Emergency Management Office, valid until February 2021.</li> </ol>
Audit Score Percentage and Audit Re-extension Status	<p><b>89%</b></p> <p><i>NBCUniversal has implemented an audit performance scoring system for the purpose of granting extensions to the company's annual re-audit requirement. This score is used to calculate re-audit timing only and is <u>not</u> approval for production to commence.</i></p> <p><b><u>Audit Approval Extensions:</u></b></p> <ul style="list-style-type: none"> <li>○ <b><u>Extensions may be offered only if the factory has corrected and closed all findings.</u></b> NBCU discretion is allowed. Note all approval periods are from the audit date.</li> <li>○ Below 85%= 12 month approval</li> <li>○ 85%-92%= 18 month approval</li> <li>○ 93% and above= 24 month approval</li> </ul> <p><b><u>Production Authorization:</u></b></p> <ul style="list-style-type: none"> <li>○ <i>If this is the initial audit of the factory production cannot commence <b><u>until all red flagged findings are addressed</u></b> and official notification is received from the NBCUniversal business unit. Please note that production is not allowed until your factory has been approved and an NBCU approval letter is received.</i></li> </ul>

## **Background**

In 2005, Wenzhou Case Packaging Co., Ltd. ("the Site" hereinafter) was established at current location, leased the area from the landlord, and started its operation. Prior to 2005, the site area was used by another factory and the detail information was unknown.

In June 2019, the Site introduced one set of ultraviolet (UV) photolysis and activated carbon adsorption facility to treat the air emission from the gluing and screen-printing processes.

The Site compound covers a total land area of about 250 square meters (m<sup>2</sup>), consisting of one 3-story production building with a floor area of about 800 m<sup>2</sup>:

- The 1<sup>st</sup> floor is used as cutting workshop and end-product warehouse;
- The 2<sup>nd</sup> floor is used as screen-printing, heat-transfer printing, gluing, sewing, assembly, inspection and packing workshop;
- The 3<sup>rd</sup> floor is used as raw material warehouse and office.

Adjacent land uses of the Site compound are identified as follows:

- North: Juke Road and one garment factory across the road;
- South: Wenzhou City Lucheng District Mental Health Center;
- West: West Juguangyuan Road and one printing product factory across the road; and
- East: One machinery factory.

Raw materials used at the Site mainly are cloth, leatherette and stainless-steel plates. Chemicals consumed at the Site mainly are ink, cleaning agent, adhesive and lubricating oil.

Potential occupational health hazards at the Site are mainly volatile organic compounds (VOCs) from the gluing and screen-printing processes.

According to the document review and onsite observation in this audit, the main environmental pollutants discharged from the Site include domestic wastewater, boundary noise, air emission and hazardous waste:

- No industrial wastewater is generated from the Site. The domestic wastewater from the Site is treated by the septic tanks and then discharged to the local municipal sewer system;
- Air emissions from the gluing and screen-printing processes are discharged through one 15-meter stack after treated by UV photolysis and activated carbon adsorption device;
- Major hazardous wastes generated from the Site are spent chemical containers and chemical contained rags. Reportedly, no waste activated carbon had been generated from the Site yet as the activated carbon adsorption device was installed in 2019.

According to *Wenzhou Industrial Enterprises Environmental Protection Administrative Licensing Standardized Management Reform Plan* (温州市工业企业环保行政许可规范管理改革方案), no Environment Protection Check and Acceptance (EPCA) is required for the Site.

The Site belongs to the packaging and decoration printing industry. Because its chemicals usage amount is not up to the limit, the Site is not required to apply for the National Pollution Discharge Permit (PDP) based on the "Categorized Management List of Permits for Fixed Pollution Sources (2019)".

## **GBS/EHS Management:**

Mr. Wei Sun (General Manager) takes charge of the Environment, Health and Safety (EHS) affairs onsite, holding the Safety Responsible Personal Training Certificate.

## **Employee Interview**

**Number of Selected Employees:** There were 28 employees (4 non-production and 24 production employees) working at the Site. All 24 production employees were selected for the employee interview.

**Age Groups/Gender:** Of the 24 interviewed employees, 3 were 19-30 years old, 13 were 30-40 years old, 3 were 40-50 years old and 5 were 50-60 years old, including 4 males and 20 females.

**Employment Period:** Of the interviewed employees, 4 have been working at the Site for 0-1 year, and other 20 have been working at the Site for about 1-3 years.

**Operational Activities:** All the interviewed employees were from cutting, screen-printing, heat-transfer printing, gluing, sewing, assembly, inspection and packing processes, which covered all of the processes at the Site.

**Finding Numbers:** 1 (4.2a)

**Best Practices:**

Fire drills were conducted every 6 months at the Site.

**Opening and Closing Meetings:**

An opening meeting was conducted at 9:30 am and attended by the Site representatives Mr. Wei Sun (General Manager), Ms. Biling Zhao (Sales Manager), together with George Dong (AECOM Auditor). The auditor introduced the purpose, content and procedure of the audit, NBCU Manufacturer Code of Conduct (CoC), as well as the Factory Awareness Guide. The Site representative Ms. Biling Zhao signed the NBCU Manufacturer CoC.

A closing meeting was conducted at about 4:00 pm and attended by the Site representatives Mr. Wei Sun (General Manager), Ms. Biling Zhao (Sales Manager), and George Dong. The auditor raised the issues identified and introduced the follow-up section. All findings were confirmed by the Site representatives. The Site representatives expressed that they were willing to follow the relevant requirements of NBCU and close the findings as soon as possible.

## **Results Summary**

<b>Section</b>	<b>Is there a finding?</b>	<b>If there is a finding, then list finding ID/Flag Type</b>	<b>Auditor Notes</b>
<b>Underage Labor</b>	No	/	/
<b>Forced Labor</b>	No	/	/
<b>Prison Labor</b>	No	/	/
<b>Working Hours</b>	No	/	/
<b>Wages &amp; Compensation</b>	Yes	4.2a – Yellow Flag	/
<b>Discrimination/Human Rights</b>	No	/	/
<b>Freedom of Association</b>	No	/	/
<b>Facilities/Building Conditions</b>	No	/	/
<b>Fire Prevention/Emergency Response</b>	Yes	1.4 – Yellow Flag	/
<b>Occupational Health &amp; Safety (Include all permits)</b>	Yes	1.3 – Yellow Flag 1.31 – Yellow Flag 2.23.1 –Red Flag 2.23.2 –Red Flag 2.26 –Red Flag 2.26 –Red Flag 2.35 – Yellow Flag	/
<b>Environmental Conditions (Include Waste, Air, Water)</b>	Yes	2.32 –Red Flag	/
<b>Dormitories</b>	No	/	/
<b>Canteen &amp; Cafeteria Services</b>	No	/	/
<b>Medical</b>	No	/	/
<b>Security</b>	No	/	/

**1. Number of Fulltime Employees/Workers**

Department	First Shift	Second Shift	Third Shift as applicable	Peak Season
Administration	4	/	/	/
Cutting	1	/	/	/
Screen-printing and heat-transfer printing	1	/	/	/
Gluing	1	/	/	/
Sewing	10			
Assembly, inspection and packing	11	/	/	/
Total Number of Employees/Workers	28	/	/	/

**2. Production Process – include chemicals used in the production process**

Production process	Check if applicable to Site	Chemicals used	Approximate volume of chemicals used/stored monthly
Screen-printing	Yes	Ink	45 kg/month
	Yes	Cleaning agent	10 kg/month
Gluing	Yes	Adhesive	45 kg/month
Machine maintenance	Yes	Lubricating oil	Limited amount

## Findings to be Addressed:



NBCUniversal has implemented an audit performance scoring system for the purpose of granting extensions to the company's annual re-audit requirement. This score is used to calculate re-audit timing only and is not approval for production to commence.

### ○ Audit Approval Extensions:

- If the factory scores below 85% on an audit, a 12-month re-audit cycle will apply, without exception.
- If the factory scores 85% or better **and corrects and closes all audit findings**, the factory could qualify for an extension of the re-audit. The annual audit requirement may be extended to 18 or 24 months depending on the audit score.

### ○ Production Authorization:

- If this is the initial audit of the factory production cannot commence **until all red flagged findings are addressed** and official notification is received from the NBCUniversal business unit. Please note that production is not allowed until your factory has been approved and an NBCU approval letter is received.

No. 编号	Finding Category 问题点类别	Flag Type 红黄旗	Audit Findings 问题点	Recommendations 整改建议	Photos 照片
2.23	Machine Guarding 机械防护	Red 红旗	2.23.1 As observed during the site tour, no eye protection guard was installed for 1 high-speed sewing machine. (此次审核观察到, 有 1 台高速针车没有安装护眼板。)	2.23.1 The Site should install eye protection guards for the high-speed sewing machines at the Site and strengthen the training to employees at the sewing workshop on machine guarding. (工厂应为厂内所有高速针车安装护眼板, 并加强对车缝车间员工在机器安全和防护方面的培训。)	
		Red 红旗	2.23.2 As observed during the site tour, no pulley guard was installed for the rotation belt of 1 sewing machine. (此次审核观察到, 有 1 台针车没有安装皮带保护罩。)	2.23.2 The Site should install pulley guard for the rotation belt of the sewing machines at the Site and enhance routine management and maintenance to ensure all machine guarding are in good condition. (工厂应为厂内所有针车安装皮带保护罩, 加强日常管理和维护, 确保所有缝纫机保护装置处于良好状态。)	
2.26	Industrial Hygiene 工业卫生	Red 红旗	2.26 Potential occupational health hazards at the Site are mainly volatile organic compounds (VOCs) from the gluing and screen-printing processes, but no industrial hygiene monitoring	2.26 The Site should retain a licensed company to conduct industrial hygiene monitoring for workplace air. If the monitoring results exceed the pertinent standard, proper measures should be	N/A



No. 编号	Finding Category 问题点类别	Flag Type 红黄旗	Audit Findings 问题点	Recommendations 整改建议	Photos 照片
			for workplace air was conducted to assess the compliance status. Through onsite tour, occupational hazard warning signs and Personal Protection Equipment (PPE) requiring signs were posted in the workshops. (工厂潜在的职业病危害主要是刷胶及丝印工序产生的挥发性有机物, 但工厂没有进行工作场所空气检测, 达标情况未知。现场走访观察, 车间有张贴职业危害警告标识及劳动防护用品佩戴标识。)	taken to control the health impact on employees. (工厂应委托一家有资质的机构进行工作场所空气及噪声的工业卫生检测。如果检测结果超标, 需采取有效措施减少对员工的职业危害。)	
2.32	Hazardous Waste Mgmt. 危险废物管理	Red 红旗	<p>2.32 The hazardous wastes generated at the Site mainly include spent chemical containers and chemical contained rags.</p> <p>According to the Site management, the hazardous wastes were disposed of by a qualified vendor. However, no hazardous waste disposal agreement or transfer record was provided. Some waste chemical containers were observed onsite.</p> <p>(工厂的危险废物主要为废化学品空桶和沾有化学品的废抹布。</p> <p>工厂代表表示, 这些危险废物均由有资质的供应商处置。但是, 工厂没有危废处置协议或转移记录。现场观察到工厂现场存放有一些化学品空桶。)</p>	<p>2.32 The Site should contract a qualified agency to dispose of all hazardous waste at least once per year, and the Site should fill the transfer manifests for each shipment.</p> <p>(工厂应签订有资质的危险废物处置商, 确保所有危险废物至少每年处理, 并保留转移联单。)</p>	N/A
2.38	Medical 医疗	Red 红旗	<p>2.38 Potential occupational health hazards at the Site is mainly VOCs from the gluing and screen-printing processes. (about 2 workers).</p> <p>Occupational health surveillance mechanism was established at the Site. However, no pre-job, on-the-job or post-job occupational health check-up was provided for any workers before.</p>	2.38 The Site follow the occupational health surveillance mechanism to identify all the positions with occupational health hazards and commission a licensed agency to provide pre-job, on-the-job, and post-job occupational health check-up to the workers exposed to occupational health hazards.	N/A

No. 编号	Finding Category 问题点类别	Flag Type 红黄旗	Audit Findings 问题点	Recommendations 整改建议	Photos 照片
			<p>（工厂潜在的职业病危害主要是刷胶和丝印工序的挥发性有机物（约2人接触）。</p> <p>工厂已建立职业健康监护机制。但是，工厂没有为任何员工提供过岗前、在岗及离岗职业健康体检。）</p>	<p>（工厂应按照职业健康监护制度的要求，识别出存在职业病危害因素的岗位，并为这些职位的员工提供岗前、在岗和离岗的职业健康体检。）</p>	

No. 编号	Finding Category 问题点类别	Flag Type 红黄旗	Audit Findings 问题点	Recommendations 整改建议	Photos 照片
1.3	Health and Safety Permits 健康和安全许可文件	Yellow 黄旗	<p>1.3 The potential occupational health hazards at the Site is mainly VOCs from the gluing and screen-printing processes. However, the Site has not registered its occupational hazards or obtained corresponding receipt yet.</p> <p>（工厂潜在的职业病危害因素主要有刷胶和丝印工序的挥发性有机物。然而，工厂尚未登记其职业病危害因素并取得回执。）</p>	<p>1.3 The Site should consult the local Health Bureau to register the correct occupational health hazards on the website (www.zybwhsb.com) and exposure information, and obtain the return receipt.</p> <p>（工厂应咨询当地卫生部门，在网站（www.zybwhsb.com）上准确申报存在的职业病危害因素及接触人数，并取得回执。）</p>	N/A
1.4	Fire Protection Permits 消防许可文件	Yellow 黄旗	<p>1.4 No Fire Protection Check and Acceptance (FPCA) Approval was obtained for the 3-story production building by the Site.</p> <p>（工厂没有获取该栋三层厂房的消防验收批复。）</p>	<p>1.4 The Site should apply for the FPCA from the local Housing and Construction Bureau and obtain the registration records.</p> <p>（工厂应联系当地住建局申请消防验收，并获得备案记录。）</p>	N/A
1.31	Training 培训	Yellow 黄旗	<p>1.31 The Site did not have a process to update employee training after changes are made to the facility and production process.</p> <p>（工厂没有一套流程，来保证当设备或生产工艺发生变更时，能给员工更新相关的培训。）</p>	<p>1.31 The Site should develop a process to update employee training after changes are made to the facility and production process, and also keep the training records. （当工厂在引进新设备或生产工艺发生变化时，应该有一套相应的培训体系对员工进行再培训，并且保留培训记录。）</p>	N/A
2.35	Working Conditions	Yellow 黄旗	<p>2.35 No Lockout-Tagout (LOTO) procedure was established.</p>	<p>2.35 The Site should establish LOTO procedure, provide locks, tags and training for relevant staff.</p>	N/A

No. 编号	Finding Category 问题点类别	Flag Type 红黄旗	Audit Findings 问题点	Recommendations 整改建议	Photos 照片
	工作条件		(工厂未建立挂牌上锁程序。)	(工厂应建立挂牌上锁程序, 提供锁具、挂牌以及对相关人员进行培训并保存记录。)	
4.2a	Wages 工资	Yellow 黄旗	<p>4.2a Not all employees were provided with social insurance. According to the roster, there were 28 employees in July 2020, and 5 among them were over the legal retiring age. However, only 21 out of rest 23 employees were provided with work-related injury insurances, and 11 employees were provided with retirement, unemployment, medical and maternity insurance according to the social insurance records of July 2020. The Site representative explained that the rest workers were not willing to buy the social insurance, which was confirmed through the employee interview.</p> <p>(工厂未给所有员工提供社会保险。根据花名册, 工厂 2020 年 7 月有 28 名员工, 其中 5 名达到了法定退休年龄。根据 2020 年 7 月的社保收据, 工厂只为剩余 23 名员工中的 21 名员工提供了工伤保险, 为其中 11 名员工提供了养老、失业、医疗及生育保险。工厂代表介绍, 其他员工不愿意购买保险, 员工访谈也证实了这一点。)</p>	<p>4.2a The Site should provide all employees with five types of social insurance according to law requirement.</p> <p>(工厂应该按照法规的要求为所有员工提供 5 种社会保险。)</p>	N/A

#### Notes

- Black Flag** - if there is a finding of possible child or prison labor, factory will be disqualified for use if confirmed.  
黑旗 – 如果工厂有疑似童工或者狱工的问题点, 确认后, 工厂将被取消使用资格。
- Red Flag** - all red flags findings must be closed or downgraded within 90 days of the audit. (If you are unable to meet the closure timeline please contact George Dong / AECOM <george.dong@aecom.com> and Karen Tiongson / NBCUniversal <Karen.Tiongson@nbcuni.com>)  
红旗 – 所有的红旗问题点都必须在审核后的 90 天内关闭或者降级 (如果在规定的时间节点内无法完成整改, 请联系 George Dong / AECOM <George.dong@aecom.com> 和 Karen Tiongson / NBCUniversal <Karen.Tiongson@nbcuni.com>)。
- Yellow Flag** - all yellow flag findings must be closed before scheduled re-audit.  
黄旗 – 所有的黄旗问题点都必须在预定的复审时间之前关闭。



**Photo Summary:**



Entrance view from the street of the factory



Photo of factory sign



Cutting



Gluing and screen-printing



Heat-transfer printing



Sewing



Assembly, inspection and packing



Warehouse



Air emission treatment device