



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC408638417	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS410599854	
Business name (Company name):	ChangLin Industrial Company Limited			
Site name:	Changlin Industrial Co Ltd			
Site address:	No.167, Gaoxin Road 2, Gaoxin District, Heyuan, Guangdong, P.R.C 河源市高新区高新二路167号 Heyuan 517000 CN	Country:	CN	
Site contact and job title:	Mr. Lin Songlin / Facility director			
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2023-07-26			

Audit Company Name:
Intertek Shenzhen

Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) 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.

Auditor Team			
Lead Auditor:	Edison Lu	APSCA Number:	21700374
Additional Auditors:			
Date of declaration:	2023-07-27		

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.

Site Representation	
Full Name:	Mr. Lin Songlin
Title:	Facility director
Date of declaration:	2023-07-27
Comments: <i>Any exceptions to this must be recorded here (e.g. different sample size): Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020). The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i>	
None	

Summary of Findings

Issue <small>(please click on the issue title to go direct to the appropriate audit results by clause)</small>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>			0	0	0	
<u>0B - Management systems and code implementation</u>			0	0	0	
<u>1 - Freely chosen employment</u>			0	0	0	
<u>2 - Freedom of association and right to collective bargaining are respected</u>			0	0	0	
<u>3 - Working conditions are safe and hygienic</u>	3.1 3.1 3.2	§1 §2 §3	3	0	0	NC - ZAF600112015 NC - ZAF600112017 NC - ac784f32-094b-408a-a2da-fb3795e7571f
<u>4 - Child labour shall not be used</u>			0	0	0	
<u>5 - Living wages are paid</u>			0	0	0	
<u>6 - Working hours are not excessive</u>	6.1	§4	1	0	0	NC - ZAF600112016
<u>7 - No discrimination is practiced</u>			0	0	0	
<u>8 - Regular employment is provided</u>			0	0	0	
<u>8A - Subcontracting and homeworking</u>			0	0	0	
<u>9 - No harsh or inhumane treatment is allowed</u>			0	0	0	
<u>10A - Entitlement to work and immigration</u>			0	0	0	
<u>10B2 - Environment 2-pillar</u>			0	0	0	
<u>10B4 - Environment 4-pillar</u>			0	0	0	
<u>10C - Business ethics 4-pillar</u>			0	0	0	

Local Law Issues

Issue	Description
§1	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, 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.
§2	In accordance with the Regulations on the Safe Use of Chemicals in Workplace, Article 12 The unit, which uses chemical, shall set up identification label for all chemicals in using. For dangerous chemical, a safety label shall be applied and MSDS be provided for worker.

§3	In accordance with the Law of the PRC on Work Safety Article 27, The principal in charge and persons for the management of work safety in production and business entities have to have the knowledge about work safety and the competence for the management, which are commensurate with the production and business activities of these entities. The principal in charge and persons for the management of work safety in production and business entities that produce, trade, store or Loading and unloading hazardous articles, and mines, metal smelting, building construction, and road transport shall only be appointed to the posts after they pass the examinations in their knowledge about work safety and their competence in the management conducted by the competent departments for work safety supervision and administration. No fees shall be charged for taking such examinations. Entities that produce, store or store Loading and unloading hazardous articles, and mines, metal smelting shall have certified safety engineer to work on the management of work safety.
§4	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.

Site Details

Site Details		
Company Name	ChangLin Industrial Company Limited	
Site Name	Changlin Industrial Co Ltd	
GPS location (if available)	GPS Address:	No.167, Gaoxin 2nd Road, Gaoxin District, Heyuan City, Guangdong Province, China
	Coordinates:	Not provide
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business License Number: 91441600MA4WLWTBXC Valid date from 27th May 2017 to long term	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Cosmetic bags, handbags.	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Changlin Industrial Co., Ltd. was located at No.167, Gaoxin 2nd Road, Gaoxin District, Heyuan City, Guangdong Province, China. The total land area occupied by the facility was about 10500 square meters. The facility had been in operation at the existing location since May 2017. A total of 96 employees were currently working in the facility, which included 25 management employees and 71 non-management employees. There were 63 local employees in the facility. Migrant employees come from other provinces in China which listed as following: Guizhou, Guangxi, Sichuan, Chongqing and Fujian. All employees are hired by the facility directly. There was no foreign migrant employee in the facility. The employees worked for 5 days a week. All employees work in one shift: 08:00 to 17:30 with 1.5 hours' lunch break from 12:00 to 13:30. Finger printing system were used for time keeping. Employees' wages were calculated on hourly-rated basis and paid monthly. No obvious peak season was noted in the facility. In view of the facilities, there were two 4-storey production buildings used as production areas and warehouse. Moreover, there was one 9-storey office building and one 6-storey dormitory building, and the 1/F of the dormitory building was used as canteen and kitchen.</p>	

Structure and number of buildings	Building Name:		Office building
	Floor	Description	Remark
	Floor 1	Office	Year of establishment: December 2018
	Floor 2	Office	Year of establishment: December 2018
	Floor 3	Office	Year of establishment: December 2018
	Floor 4	Empty	Year of establishment: December 2018
	Floor 5	Empty	Year of establishment: December 2018
	Floor 6	Empty	Year of establishment: December 2018
	Floor 7	Empty	Year of establishment: December 2018
	Floor 8	Empty	Year of establishment: December 2018
	Floor 9	Empty	Year of establishment: December 2018
	Building Name:		Production building A
	Floor	Description	Remark
	Floor 1	Material warehouse, raw material warehouse, cutting	Year of establishment: December 2018
	Floor 2	Sewing, high frequency welding, Inspection, packing	Year of establishment: December 2018
	Floor 3	Sewing	Year of establishment: December 2018
	Floor 4	Packing, finished goods warehouse	Year of establishment: December 2018

	Building Name:		Production building B
	Floor	Description	Remark
	Floor 1	Empty	Year of establishment: December 2018
	Floor 2	Empty	Year of establishment: December 2018
	Floor 3	Empty	Year of establishment: December 2018
	Floor 4	Empty	Year of establishment: December 2018
	Building Name:		Dormitory building
	Floor	Description	Remark
	Floor 1	Canteen and kitchen	Year of establishment: December 2018
	Floor 2	Dormitory room	Year of establishment: December 2018
	Floor 3	Dormitory room	Year of establishment: December 2018
	Floor 4	Dormitory room	Year of establishment: December 2018
	Floor 5	Dormitory room	Year of establishment: December 2018
	Floor 6	Dormitory room	Year of establishment: December 2018
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No crack was observed.		
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had provided safety construction certificates of these buildings for review.		
Site function	<div> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer </div> <div> <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower </div> <div> <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider </div> <div> <input type="checkbox"/> Pack house <input type="checkbox"/> Primary Producer </div> <div> <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-contractor </div>		

Months of peak season	
Process overview	The main products manufactured by the facility were Cosmetic bags, handbags. The main production processes are listed as following: Cutting, High frequency welding, Sewing, Inspection and Packing. The main machine list of the facility was as following: High frequency welding machines: 14 sets; sewing machines: 44 sets; high feet sewing machines: 5 sets; cutting machine: 3 sets, etc.
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	One worker committee with 8 representatives was established in the facility.
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: 90% of workers in on site accommodation
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:

Audit Parameters					
Time in and time out	Day 1		Day 2		
	In	09:00	In	09:00	
	Out	17:00	Out	13:00	
Audit type:	PERIODIC				
Was the audit announced?	ANNOUNCED				
Was the Sedex SAQ available for review?	Yes				
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No				
Who signed and agreed CAPR	Mr. Lin Songlin / Facility director				
Is further information available	No				

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	There was no union in the facility.		
<i>Reason for absence during the audit</i>	There was no union in the facility.		
<i>Reason for absence at the closing meeting</i>	There was no union in the 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	10	0	0	15	0	0	0	25
Worker numbers – female	30	0	0	16	0	0	0	46
Total	40	0	0	31	0	0	0	71
Number of Workers interviewed – male	2	0	0	3	0	0	0	5
Number of Workers interviewed – female	3	0	0	2	0	0	0	5
Total – interviewed sample size	5	0	0	5	0	0	0	10

Nationalities Structure		
Nationality of Management	Chinese	
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: CHINESE approx %: 100%	
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No peak season as per facility management.	
Worker remuneration	Workers on piece rate:	0%
	Paid hourly:	100%
	Salaried:	0%
Payment cycle	Paid daily:	0%
	Paid weekly:	0%
	Paid monthly:	100%
	Other:	0%
	Details for other:	Not applicable

Worker Interview Summary	
Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	1 group of 4 members evenly including 2 males and 2 females.
Number of individual interviews:	Male: 3 Female: 3
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	There was no complaint from the interviewed workers.
What did the workers like the most about working at this site?	Working environment was comfortable and wages were good.
Any additional comment(s) regarding interviews:	The interviewed workers said they enjoyed working in this facility.
Attitude of workers to hours worked:	The workers said their working hours were acceptable.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:
Total 10 employees were selected for interview. 6 employees were selected for the individual interview and 4 employees in one group were selected for the group interview. Through employees' interviews, all employees were satisfied with the facility's working environment and salary level, no negative information was raised.
Attitude of worker's committee/union reps:
There was no union existed in this facility. One worker representative was interviewed, she was favourable with the management and the working conditions, and she 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.
Attitude of managers:
The management was cooperative throughout the process of the audit. The documentations requested were provided for review timely. All areas were allowed access for tour, and a private room was provided for employees' interview. During closing meeting, the managements were receptive to all findings and stated that they would make improvement for all raised findings continually.

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

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 had 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.
- The facility had a designated Ms. Deng Ming Hui / HR Clerk to responsible for implementing standards concerning Human rights.

Evidence examined:

- Policy regarding human rights issues was provided for review.
- Appointment letters to enhance the implement of human right issues.
- Training records provided for employees regarding communications and acknowledgement.
- Written social compliance commitments from suppliers and the assessment records for suppliers
- Management interview and employee interview.

Any other comments:

None

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had a policy expressed that the facility would respect the human rights.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The policies are included in workers' manual.
Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. Deng Ming Hui / HR was the designated person for implementing standards concerning Human Rights in the facility.

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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The reporter's personal information would not be revealed, and the reporting practice would never affect the working arrangement or promotion/position.	
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Relevant training regarding privacy procedures would be provided to employees when they joined the facility.	
Measuring Workplace Impact		
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))	Last year	3.0%
	This year	5.0%
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	5.0%	
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year	0.0%
	This year	5.0%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month)	5.0%	
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: According to the accident reports and worker interviews, no accident occurred in the facility.	
Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%

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)	0.0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers])	Last year	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

0B - Management Systems and code Implementation
[Summary of Findings]

0B: Compliance Requirements

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
0.B.3 Suppliers are expected to communicate this Code to all employees.
0.B.4 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.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

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

Current Systems:

- The facility implemented and maintains systems for delivering compliance to this Code.
- Ms. Deng Ming Hui / HR was responsible for compliance with the Code.
- The facility communicated this Code to all employees by training as confirmed by training.
- The facility communicated the set objectives to its suppliers through providing copy of written policies and conducting annual assessment to monitor suppliers' compliance status.

Evidence examined:

- Employee Handbook was reviewed. It stipulates complying with ETI Code, written policies and procedure that being provided individually to employees.
- Company Manual contains details of Code with the commitment of business and integrity aligned with the ETI's requirement and local law.
- Assessment records for suppliers.
- Management interview and employee interview.

Any other comments:

None

Management Systems

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

☐ Yes ☒ No

Please give details:

The facility had not received any fines/prosecutions for non-compliance to any regulations before.

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

☒ Yes ☐ No

Please give details:

The facility had established the policies and procedures for forced labour, child labour and discrimination, harassment and abuse.

If Yes, is there evidence (an indication) of effective implementation? Please give details.

The facility had provided relevant trainings for employees through document reviewed and employees interview.

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 Please give details: The facility provided regular trainings in the standards for forced labour, child labour, discrimination, harassment and abuse for both management and workers.
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 Please give details: Regular training records were provided for review. The employees were aware of the facility's relevant policies and procedures per employees interviewed.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No such certificate was obtained by the facility.
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The facility had Human Resources department which in charge of the recruitment of employees, assignment of employees' post, etc.
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. Deng Ming Hui / HR was assigned to responsible for implementation of the Code.
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All employees' personal information would be kept and only accessed by authorized staff, such as HR.
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All employees' personal information would be kept and only accessed by authorized staff, such as HR.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessment would be conducted regularly to evaluate policy and procedure effectiveness.
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 Please give details: Any risk identified during assessment would be corrected immediately.
Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had its supplier filter program to ensure all suppliers in compliance with legal requirements regarding labour standards.
Land Rights	

Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has all required land rights, licences and permission such as house property certificate.
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 Please give details: The site has a system in place to conduct legal due diligence relating to land title.
Does the site have a written policy and procedures specific to land rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility will public the land acquisition plan and obtain the free, prior and informed consent through internet.
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 Please give details: The site has all required land rights, licences and permission such as house property certificate.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility located was assigned as industry usage by governmental department.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No such evidence was found in the audit. There was no illegal appropriation of land for the facility's buildings or expansion of footprint.

1 - Freely chosen Employment

[Summary of Findings]

1: Compliance Requirements

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:

- 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 end.
- The interviewed employees stated that they are not required to pay any 'deposits' or leave their ID cards with the employer.
- Facility tour showed that no sign of employees being under pressure.

Evidence examined:

- The facility's policy to ensure employment is freely chosen was reviewed. The policy included 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 resign after reasonable notice.
- Employment contracts were reviewed and they contained the notice periods.
- Management interview and employee interview.

Any other comments:

None

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: 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>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</p> <p>Please give details:</p> <p>Not applicable (the facility was not UK based or registered or turnover was less than 36m+, so modern day slavery statement was not required for the audited facility)</p>
<p>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</p> <p>Please give details:</p> <p>There was no any restriction on workers' freedoms to leave the site at the end of the work day. According to the onsite observation and worker interviews, the workers were free to leave the workplace after their working hours every day.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>According to the management interviews, the facility management understood the risks of forced / trafficked / bonded labour in its supply chain; and there was no forced / trafficked / bonded labour in its supply chain currently.</p>
<p>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</p> <p>Please give details:</p> <p>In order to reduce the risk of forced or trafficked labour in its supply chain, the facility had established and implemented the anti-forced or trafficked labour policy and procedure, provided the relevant trainings to the management and employees, communicated anti forced or trafficked labour policy and procedure to its suppliers, conducted the internal social compliance audit and management review annually, and monitored the social compliance performance of its suppliers annually, etc. There was no forced / trafficked / bonded labour in its supply chain currently.</p>

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

[Summary of Findings]

2: Compliance Requirements

- 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, it was noted that management has an open attitude towards. Employees also could raise their concerns through suggestion box and their supervisors.
- According to facility management interview, they never interfered in any legal activities which were organized by their employees.
- There was one worker committee in the facility.
- Employee interview confirmed that the members of the worker committee had been selected by fellow employees.

Evidence examined:

- Site policy on freedom of association
- Interview with employees
- Interview with one worker committee representative
- Interview with management
- Election records of worker committee
- Meeting minutes of worker committee

Any other comments:

None

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Worker committee of Changlin Industrial Co., Ltd.	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Through EHS committee representatives, telephone, suggestion box, and their team leaders or above, etc.	
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provided the meeting room, paper and pens for the regular meetings of the trade union representatives.
Name of union and union representative, if applicable:	N/A. There was no union at the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	A workers committee in place with 8 employee representatives elected by the employees to represent each section of the facility.
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Most of the employees knew who was the representative.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2023-03-15
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	The latest meeting between worker representatives and management was conducted on 15 March 2023. The meeting minutes were reviewed and it covered discussing health and safety issues raised by employees. The minutes were communicated to all employees via the notice board.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

3 - Working Conditions are Safe and Hygienic [Summary of Findings]

3: Compliance Requirements

- 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. General Health and Safety management

- Written Health and Safety Policy and Health and Safety Manual were available.
- Ms. Deng Ming Hui / HR was appointed as Health & Safety Supervisor for the site.
- Minutes of meetings showed that there were monthly meetings between the H&S committee (workers) and the H&S supervisor, and each point was acted on.
- Potable water was freely available in all areas for all employees and test certificates were up-to-date.
- Sufficient clean toilets segregated by gender were available at all times to employees.
- Ventilation, temperature and lighting were adequate for the workplaces.
- Accident reports were available.

2. Fire Safety

- In production building, there were at least 2 exits from each work area and these were clearly marked.
- Fire-fighting equipment' monthly inspection records were available.
- Fire-fighting equipment were maintained well.
- The open directions of the exit doors were adequate.
- Evacuation routes were unblocked.
- "No smoking signs" were available throughout the facility.
- Evacuation diagrams were posted in all areas and understood by all employees interviewed.
- Fire drills were organised and recorded for all employees, and the latest one was on 01 March 2023.

3. Electrical safety

- All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.
- Competent electricians at the site and the qualification certificates were valid.

4. Chemical safety

- The facility used chemicals such as glues and thinners with the correctly labelled.
- Material Safety Data Sheet was available.
- Safety facilities for hazardous chemicals were compliant with legal requirement.
- Employees properly wore PPE (Personal Protective Equipment).

5. Medical services

- There were adequate first aid kits in each production area and they were well stocked.
- There were sufficient first aiders for each shift and they had been trained at a local hospital.

Evidence examined:

- Health and safety policy
- Health and safety manual
- Appointment document for the Health and Safety Supervisor
- Health and safety committee minutes
- Potable water testing report
- Toilet cleaning records
- Temperature recording sheets
- Fire certificate or registered record
- Accident reports
- PPE issuing and receiving records
- Fire equipment' monthly maintenance and inspection records
- Fire drill records
- Electrical equipment' maintenance and inspection records
- The certificate of the electrician
- Trained first aiders' certificates
- Onsite observation
- Interviewed with H&S supervisor
- Interviewed with employees and H&S committee members

Any other comments:

None

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Health & Safety and occupational Health & Safety policies and procedures, and employees would be given relevant training on their entry date.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Employees' manual including facility's general Health & Safety and occupational Health & Safety policies and procedures and detailed requirements.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No floor added was noted in this audit.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Visitors to the site were informed on H&S. And the visitors were provided with personal protective equipment when they were on the site with occupational hazards area.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: First aid boxes with sufficient supplies were available on the floor, and employee could easy to access to the first aid box. Remark: No medical room or medical facility was provided for the workers and there was no such legal requirement for the facility.

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 Please give details: No doctor or nurse on site. However, trained first aiders were on site to deal with work-related injury or accident.
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 checked="" type="checkbox"/> No Please give details: N/A, no car or bus was provided by facility.
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 Please give details: Secure personal storage space was provided for workers in their dormitory room and fit for purpose.
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 Please give details: Such as overtime working hours were strictly controlled by HR.
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 Please give details: The facility provided all legally required environmental documents for auditor review.
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 Please give details: No banned chemical was used in audited facility

Non-Compliance		Evidence																													
[Back to findings summary]																															
<table><tr><th colspan="2">Non-Compliance</th></tr><tr><td>Status</td><td>CLOSED</td></tr><tr><td>Reference</td><td>ZAF600112015</td></tr><tr><td>Clause</td><td>3 - Working Conditions are Safe and Hygienic</td></tr><tr><td>Issue Title</td><td>240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)</td></tr><tr><td>Subcategory</td><td>Chemicals</td></tr><tr><td>New or carried over?</td><td><input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over</td></tr><tr><td>Raised by audit</td><td>ZAA420273815</td></tr><tr><td>Resolved by audit</td><td>ZAA600018204</td></tr><tr><td>Root cause</td><td><input checked="" type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other</td></tr><tr><td>Root cause - Other</td><td></td></tr><tr><td>Local law issue</td><td>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, 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.</td></tr><tr><td>ETI code</td><td>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.</td></tr><tr><td>Explanation to the non compliance</td><td>Safety facilities for hazardous chemicals were not compliant with legal requirement. During facility tour, auditor found that no secondary container was installed for one bucket of thinner (about 10L) used in the</td></tr></table>			Non-Compliance		Status	CLOSED	Reference	ZAF600112015	Clause	3 - Working Conditions are Safe and Hygienic	Issue Title	240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)	Subcategory	Chemicals	New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	Raised by audit	ZAA420273815	Resolved by audit	ZAA600018204	Root cause	<input checked="" type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	Root cause - Other		Local law issue	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, 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.	ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	Explanation to the non compliance	Safety facilities for hazardous chemicals were not compliant with legal requirement. During facility tour, auditor found that no secondary container was installed for one bucket of thinner (about 10L) used in the	
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Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	The facility would set up the corresponding safety facilities and equipments in workshop or warehouse for hazardous chemicals as per legal requirement. The facility would ensure policy requirements are followed.	
Additional comments	The facility had installed the secondary container for all chemicals in the facility and provided training for the workshop leaders on chemicals management, and EHS member conducted the regularly check to ensure all chemicals were stored in the secondary container. Through onsite observation, all chemicals were stored in the secondary containers in this audit.	

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Additional comments	The facility had provided the training for workshop leader on chemicals management, and EHS member conducted the regularly check to ensure all chemicals MSDS were post at chemicals storage and using area in the facility. Through onsite observation, the facility had post all chemicals MSDS at chemical storage and using area in the facility.	
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Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ac784f32-094b-408a-a2da-fb3795e7571f	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	166 - No / inadequate health and safety training for managers	
Subcategory	Health & Safety Training	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input checked="" type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	In accordance with the Law of the PRC on Work Safety Article 27, The principal in charge and persons for the management of work safety in production and business entities have to have the knowledge about work safety and the competence for the management, which are commensurate with the production and business activities of these entities. The principal in charge and persons for the management of work safety in production and business entities that produce, trade, store or Loading and unloading hazardous articles, and mines, metal smelting, building construction, and road transport shall only be appointed to the posts after they pass the examinations in their knowledge about work safety and their competence in the management conducted by the competent departments for work safety supervision and administration. No fees shall be charged for taking such examinations. Entities that produce, store or store Loading and unloading hazardous articles, and mines, metal smelting shall have certified safety engineer to work on the management of work safety.	
ETI code	3.2 - Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.	
Explanation to the non compliance	No training records / certificate of safety production knowledge and management skill for the persons for the management of work safety in the facility. During document review, auditor found that the facility could not provide the training records / certificate of safety production knowledge and management skill of the persons for the management of work safety for review. 企业安全管理人员未取得安全生产知识和管理能力培训记录/证书。在文件审核时，企业无法提供该企业安全管理人员的安全生产知识和管理能力培训记录/证书供审阅。	

Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	The facility should ensure the persons for the management of work safety obtain relevant training records / certificates according to legal requirements, and keep updated.	

4 - Child Labour Shall Not Be Used [Summary of Findings]

4: Compliance Requirements

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:

- No child was employed by the facility. Checks of all employees' files showed that the youngest employee present was 22 years old.

- The facility verified all employees' original ID cards before recruitment and kept the copies of employee' ID cards in the personnel files. The employee's personnel files were provided for review. Each employee file includes a bio-data sheet, a recent photo and the age documentation, which is in the form of photocopied national identification card. The card lists the employee's name, household address and the date of birth.

- The facility's policy on child Labour was reviewed. It states that the facility will never employ and use any child labour under the age of 16 years old.

Evidence examined:

- The employee's personnel files were provided for review.

- The facility's policy on child labour was reviewed.

- On site observation

- Management and employee interview

Any other comments:

None

Legal age of employment:	16
Age of youngest worker found:	22
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
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable (there was no worker under 18 years old)

5 - Living Wages are Paid [Summary of Findings]

5: Compliance Requirements

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:

- All employees were provided with the 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 were paid.
- The legal minimum wages were set at RMB1620 per month, which is equivalent to RMB9.31 (1620/21.75/8) per hour after 1st December 2021.
- All employees' wages were calculated by hourly rate. Based on the provided attendance records and payroll records, the facility paid 150%, 200% and 300% of the normal wages for the extension of normal working hours on weekdays, rest days and public holidays.
- Annual leave and maternity leave were provided to employees as per legal requirements.
- All employees were paid at the end of each month through bank autopay, and each employee was given a pay slip and signed for their wages.

Evidence examined:

- Wages and benefits policy
- Local legal minimum wage standard documents
- Social insurance payment invoices
- Labour contracts
- Leave records
- Resignation records
- Employees' interview
- Payroll records from July 2023 to June 2023 and attendance records from 23 July 2022 to 27 July 2023 were reviewed.
- Production records reviewed (daily production records, warehouse in & out records and QC records from 23 July 2022 to 27 July 2023 were reviewed).
- Employee interview and management interview
- Facility tour

Any other comments:

None

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 40.0 Per Month: null	Actual Per Day: 8.0 Per Week: 40.0 Per Month: 176.0	NO

Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 3.0 Per Week: null Per Month: 36.0	Actual Per Day: 2.0 Per Week: 14.0 Per Month: 54.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: 1620.0	Actual Per Day: 88.0 Per Week: 440.0 Per Month: 1936.0	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: null Per Week: null Per Month: null	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Sample Size Checked (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)	10 samples from June 2023(current month); 10 samples from December 2022(random month); 10 samples from September 2022(random month).		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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"/> Not Applicable Please give details:		
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 type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	RMB 1936 per month		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found:Attendance bonus would be provided for employees. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Social insurance fees and personal tax		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	The social insurance fee and personal income tax were deducted from employees' wages respectively.		
Please list all deductions that have not been made.	None		
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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 Please give details: The attendance records reflected all time worked including the normal working hours and the overtime hours. The meetings were arranged during the time of work shift, the time for meetings was regarded as working time and paid legally.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
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 <input type="checkbox"/> Other – please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility conducted internal social compliance audit regularly, which covered the review of the workers' wages, the local legal minimum wage standards and basic needs of workers plus discretionary income, etc.
Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 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.
How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

6 - Working Hours are not Excessive [Summary of Findings]

6: Compliance Requirements

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:

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:

- Voluntary overtime policy was available and overtime was voluntary.
- Working time policy and controlling procedure were communicated to the workers through regular trainings.
- Working time policy and controlling procedure were established and implemented.
- Working time was recorded, kept and provided for reviewing.
- The workers' attendances were recorded by finger scan attendance system and the shift start time and shift end time were recorded accordingly.
- The normal working hours were 8 hours per day and 40 hours per week.
- The peak months were not obvious according to the management.
- According to provided attendance records, the maximum overtime hour was 54 hours a month and 2 hours a day and the maximum weekly working hours was 54 hours a week. All employees had one day off per week.
- As per management interview due to tight schedule, the monthly overtime hours exceeded legal requirement.
- No inconsistency regarding the workers' wages and working time was found between the payrolls, the attendance records, the production related records and worker interviews, etc.

Evidence examined:

- Working hours policy/procedure
- Employees contracts
- Attendance records from 23 July 2022 to 27 July 2023.
- Production records such as daily production records, warehouse in & out records and QC records from 23 July 2022 to 27 July 2023 were reviewed.
- Training records
- Employees' interview and management interview
- Facility tour

Any other comments:

None

Working hours' analysis

Systems & Processes

What timekeeping systems are used?

The workers' attendances were recorded by finger scan system.

Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:		
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days	<input type="checkbox"/> 2 in 14 days	<input type="checkbox"/> No (please explain)
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):	6		
Standard/Contracted Hours worked			
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:		
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Overtime Hours worked			
Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 2 hours per day in June 2023 (current month) 2 hours per day in December 2022 (random month) 2 hours per day in September 2022 (random month) 14 hours per week in June 2023 (current month) 14 hours per week in December 2022 (random month) 14 hours per week in September 2022 (random month) 46 hours per month in June 2023 (current month) 54 hours per month in December 2022 (random month) 46 hours per month in September 2022 (random month)		
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The weekly working hours were no more than 60 hours.		
Approximate percentage of total workers on highest overtime hours:	10.0%		

Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: The voluntary overtime policy was provided for review. Regular trainings on voluntary overtime policy were provided for all workers. Through worker interview and documentation review, it was confirmed that overtime was voluntary. The workers could refuse the overtime arrangement without any punishment or negative impact.
Overtime premium	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium Please give details: The voluntary overtime policy was provided for review. Regular trainings on voluntary overtime policy were provided for all workers. Through worker interview and documentation review, it was confirmed that overtime was voluntary. The workers could refuse the overtime arrangement without any punishment or negative impact.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 150% of the normal wages for regular overtime; 200% of the normal wages for rest day overtime; 300% of the normal wages for public holidays. And 100% workers in every month.
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 <input type="checkbox"/> Collective Bargaining agreements <input checked="" type="checkbox"/> Other
Please give details	Not applicable. 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% workers.
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)
Please give details	Not applicable (the weekly working hours were no more than 60 hours)
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	Not applicable (the workers' working time was no more than 60 hours per week)
Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No According to management interview, overtime hours were caused by labour shortages and tight delivery date of the purchase orders, etc.

If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?

☒ Yes ☐ No

Non-Compliance		Evidence																																
[Back to findings summary]																																		
<table border="1"> <thead> <tr> <th colspan="2">Non-Compliance</th> </tr> </thead> <tbody> <tr> <td>Status</td> <td>OPEN</td> </tr> <tr> <td>Reference</td> <td>ZAF600112016</td> </tr> <tr> <td>Clause</td> <td>6 - Working Hours are not Excessive</td> </tr> <tr> <td>Issue Title</td> <td>480 - Overtime is not used responsibly i.e. extent, frequency and level of hours worked by individual workers and / or whole workforce are excessive</td> </tr> <tr> <td>Subcategory</td> <td>Overtime</td> </tr> <tr> <td>New or carried over?</td> <td> <input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over </td> </tr> <tr> <td>Raised by audit</td> <td>ZAA420273815</td> </tr> <tr> <td>Root cause</td> <td> <input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input checked="" type="checkbox"/> Lack of workers <input type="checkbox"/> Other </td> </tr> <tr> <td>Root cause - Other</td> <td></td> </tr> <tr> <td>Local law issue</td> <td>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. 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Actions	The facility would re-schedule the production plan and																																	

	ensure the overtime hours within 36 hours per month. The facility would ensure policy requirements are followed.	
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7 - No Discrimination is Practiced

[Summary of Findings]

7: Compliance Requirements

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:

- The facility had anti-discrimination policy and procedure;
- The regular trainings on anti-discrimination were provided to the workers;
- All interviewed workers spoke highly of the employer;
- No worker was required to do the examination of the hepatitis B virus and HIV;
- No female worker was required to do the examination of pregnant test;
- Gender discrimination did not exist in the factory; both female and male workers were distributed in all types of work;
- There was no evidence of sexual harassment;
- 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 or workers' organisation membership or political affiliation was found;
- There was an internal grievance process, all sampled workers were aware of the grievance channels in case they encountered any discrimination cases.

Evidence examined:

- The anti-discrimination policy and procedure;
- The regular training records on anti-discrimination;
- The hiring and termination procedure, leave application records and employing handbook.
- Payrolls
- Attendance records
- Termination records
- Management interview and worker interview

Any other comments:

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 50.0%			Female: 50.0%		
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	6, such as team leader and quality department					
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?	<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	
Please give details	No discrimination about hiring, compensation, access to training, promotion, termination or retirement was found.					
Professional Development						

What type of training and development are available for workers?	The on-going work skill trainings were available for all workers to progress and develop. The criteria for promotion, training and compensation were equal, fair and transparent for all workers.
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

8 - Regular Employment Is Provided

[Summary of Findings]

8: Compliance Requirements

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 had signed labour contracts with all employees of the audited facility within one month when they were recruited, and the probationary period was in compliance with the requirements of local law.
- All employees were recruited by the facility directly. No temporary employee, apprenticeship schemes or home employee was identified by auditor.

Evidence examined:

- The facility rule indicated that every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice
- Personnel files of all employees
- Personal contracts of all employees
- Attendance and payroll records of all employees
- Management interview and employee interview

Any other comments:

None

Responsible Recruitment

All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

- ☒ Terms & Conditions presented ☒ Understood by workers
- ☒ Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)

- ☐ Yes ☒ No

Migrant Workers

Type of work undertaken by migrant workers:	All types of work included migrant workers.
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Not applicable (there was no such kind of deduction from the workers' wages)
Is there any observation on this finding?	Not applicable (there was no such kind of deduction from the workers' wages)
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No All types of work in the facility include migrant workers.
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Agency Workers (if applicable) (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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Not applicable (there was no agency worker in the facility)
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable (there was no agency worker in the facility)
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable (there was no agency worker in the facility)
Contractors (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.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No contractor was used by the facility.
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No contractor was used by the facility.

8A - Sub-Contracting and Homeworking
[Summary of Findings]**8A: Compliance Requirements**

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

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

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 document review, facility tour, management interview and employee interview that no sub-contracting & Home-working was used by this facility.

Evidence examined:

- Production records such as daily production records, warehouse in & out records and QC records
- Facility tour
- Management interview and employee interview

Any other comments:

None

Summary of sub-contracting – if applicable

Is there any sub-contracting at this site? ☐ Yes ☒ No

Summary of homeworking – if applicable

Is homeworking used at this site? ☐ Yes ☒ No

9 - No Harsh or Inhumane Treatment is Allowed

[Summary of Findings]

9: Compliance Requirements

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.

9.2 companies should provide access to a confidential grievance mechanism for all 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:

- Through documentation review, the facility established a written disciplinary procedure for employees' misbehaviour which included oral warning, education, warning letter and finally termination, and provided the training program for all employees on the procedure. It was confirmed that employees were aware of the disciplinary procedure through employees' interview.
- Through management interview, document review and employees' interview, there was a policy on prevention of harsh treatment.
- There was an internal process for grievance, which was a suggestion box, where employees can report any grievances (such as sexual harassment, bullying, physical abuse and discrimination), and any received complaint will be handled by management, without any reprisal for the employee in question. All selected employees were aware this process. The grievance mechanisms were legitimate, accessible and equitable.

Evidence examined:

- The policy on prevention of harassment and abuse
- Internal grievance procedure
- Training records
- Employees' interview and management interview
- Facility tour

Any other comments:

None

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?

☒ Yes ☐ No

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.

If yes, are workers aware of these channels and have access? Please give details.

Through employees' interview, all randomly selected employees stated that they were aware of this channel.

If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.

Worker representatives and suggestion box

Which of the following groups is there a grievance mechanism in place for?

☒ Worker ☒ Communities
☒ Suppliers ☐ Other

Please provide grievance mechanism details

Use anonymous to report any issues through the grievance mechanism without any punishment or vengeance.

Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

10A - Entitlement to Work and Immigration

[Summary of Findings]

10A: Compliance Requirements

10.A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10.A.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:

- Through document review, facility management representation and employee interview, all employees in the facility were Chinese, 33 employees were migrant employees who came from other provinces in China (mainly from Guizhou, Guangxi, Sichuan, Chongqing and Fujian) and 63 was local employee.
- All employees had the proper legal rights to work in this region. The youngest age was 22 years old. All of them were recruited directly by the facility and no agency was involved in facility's recruitment processes.
- No agency staff or foreign employee was used by the facility.

Evidence examined:

- Hiring procedure
- Personnel files
- Employee handbook
- Facility tour
- Management interview and employee interview

Any other comments:

None

10B4 - Environment 4-Pillar [Summary of Findings]

10B4: Compliance Requirements

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

10.B4.2 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.

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

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

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

10.B4.6 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).

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

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

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

10B4: Guidance for Observations

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

10.B4.11 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:

1. Ms. Deng Ming Hui / HR was responsible for the environment management system in the facility.
2. The facility had written environmental policy and an environmental management system was in place.
3. All hazardous materials including waste have been properly classified, handled, stored in the facility. The hazardous waste is transported and disposed by a qualified vendor.
4. An adequate and effective program was in place, including objectives and targets to identify, manage and reduce the impact of all types of wastes.
5. The facility conducted a risk assessment to evaluate the significant environmental impacts of its sites and processes and was aware of the significant environmental impact of their site and its processes.
6. The legally required certificates including the environmental impact assessment document (EIA) and EIA approval were available and valid during this audit.
7. The annual monitoring report for waste air showed the pollutant discharging was compliance with environmental law.
8. Based on observation on site, wastes were classified and collected on site.
9. Based on employees' interview, they were trained on environmental protection.

Evidence examined:

1. The environmental impact assessment document (EIA) and EIA approval were provided for review.
2. Environment training records and materials.
3. Environmental policy
4. Waste management procedure
5. Pollution monitoring report
6. Energy bills
7. Water bill
8. Employees' interview and Management Interview Site tour

Any other comments:
None

Environmental Analysis	
Is there a manager responsible for Environmental issues (Name and Position):	Ms. Deng Ming Hui / HR
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 Please give details: Such risk assessment is conducted for its significant environmental impact of the site.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The facility did not obtain such certificate.
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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 Please give details: The policy has included their commitment to continuous improvement environmental performance.
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The facility did not obtain such certificate.
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The required legal documents such as Environmental Impact Assessment (EIA) report Form and Environmental Impact Assessment (EIA) approval were provided for review.
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"/> Not Applicable Please give details: Site had formalized a documentation process for hazardous chemicals used.
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 Please give details: Such system is in place to managing clients' requirements and legislation in the destination countries regarding environmental and chemical issues.

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 Please give details: An adequate and effective program is in place, including objectives and targets to identify, manage and reduce the impact of all types of waste generated and resource consumption.	
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The volume of waste generated and recycled is recorded and monitored monthly.	
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 Please give details: Such system is in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources.	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A (No Sub-Contracting agencies or business partners operating on the facility's premises.)	
Usage/Discharge analysis		
Criteria	Previous year: 2022	Current year: 2023
Electricity Usage: Kw/hrs	469570	246020
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	Heyuan City Water factory	Heyuan City Water factory
Water Volume Used	12235	5794
Water Discharged	Municipal sewage treatment plant	Municipal sewage treatment plant
Water Volume Discharged	12000	5680
Water Volume Recycled	235	114
Total waste produced	1 ton	0.5 ton
Total hazardous waste produced	0.2 ton	0.1 ton
Waste to recycling	0.2 ton	0.1 ton
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	2780000	1210000

10C - Business Ethics – 4-Pillar Audit [Summary of Findings]

10C: Compliance Requirements

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

10.C.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.

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

10.C.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.

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

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

10.C.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

10.C.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.

10.C.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 company manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery.
2. The company established a business ethics policy which was communicated to employees through posters.
3. The site had received and read the Business Ethics policy of the auditor/audit company.
4. There was an internal grievance process, which is an anonymous email address.
5. The workers and management were trained on Business Ethics Policy/Procedure through orientation training and annual refresh training.

Evidence examined:

1. Business ethics policies/Procedures
2. Training records and training materials
3. Employee handbook
4. Letter of appointment.
5. Employee interview and management interview.

Any other comments:

None

<p>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</p> <p><input checked="" type="checkbox"/> Policy for third parties including suppliers</p> <p>Please give details:</p> <p>The facility has a formal policy on highest integrity business standards and zero tolerance on all forms of bribery, corruption, extortion and embezzlement in place, which is applied internally from workers to senior manager and externally for its own suppliers.</p>
<p>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>Please give details:</p> <p>The facility has provided training for management and workers on policy on zero tolerance on all forms of bribery, corruption, extortion and embezzlement and conflict of interest process.</p>
<p>Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility has reviewed its business ethics policy regularly.</p>
<p>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>Please give details:</p> <p>The facility has communicated the business ethics to its own suppliers by training.</p>

Attachments



No smoking sign.JPG



Suggestion box.JPG



Sprinkler.JPG



Smoke detector.JPG



MSDS was post at workshop.JPG



MSDS.JPG



Attendance recorder.JPG



Evacuation plan.JPG



Fire alarm.JPG



Anti-explosion lampe.JPG



Eye wash equipment.JPG



Emergency light and exit sign.JPG



Electronic box with warning sign.JPG



Toilet.JPG



Occupational hazard notification.JPG



Locker.JPG



Chemical storage area.JPG



Internal cover.JPG



Evacuation route sign.JPG



First aid kit box.JPG



Chemical with secondary container.JPG



Production building.JPG



Drinkable water.JPG



Cutting.JPG



Finished goods warehouse.JPG



Fire hydrant.JPG



Fire extinguishers.JPG



Canteen.JPG



Evacuation route aisle.JPG



Dormitory room.JPG



Raw-material warehouse.JPG



Facility gate.JPG



Kitchen.JPG



High frequency welding.JPG



Packing.JPG



Office building.JPG



Sewing.JPG



Dormitory building.JPG



Facility name.JPG

考勤明细表

日期	工号	姓名	部门	考勤	早班	中班	夜班	加班	合计	备注
2023/6/1										
2023/6/2										
2023/6/3										
2023/6/4										
2023/6/5										
2023/6/6										
2023/6/7										
2023/6/8										
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2023/6/29										
2023/6/30										

Monthly overtime exceed the legal requirment.jpg



Signed CAP A5092739.pdf



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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:

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

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

[Click here for Supplier \(B\) members:](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

[Click here for Auditors:](https://www.surveymonkey.co.uk/r/BRTVCKP)

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