



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 405309895	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 405469776
Business name (Company name):	NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD		
Site name:	NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD 宁波龙腾户外用品有限公司		
Site address: <i>(Please include full address)</i>	1#&2#, No.488 North Tongyuan Road, Luotuo Street, Zhenhai District, Ningbo City, Zhejiang Province 浙江省宁波市镇海区骆驼街道通园北路 488 号 1 幢、2 幢	Country:	China
Site contact and job title:	Mr. Wu Lanfeng/ Administration manager		
Site phone:	86-0574-86562750	Site e-mail:	Sales7@nbwideway.cn
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar
			<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	Feb 25,2023		

Audit Company Name & Logo: Benchmarks Co., Ltd. (APSCA Audit Firm No.: 11600027) 	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.
 To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

Audit Content:

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

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

2-Pillar SMETA Audit

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

4-Pillar SMETA

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

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

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

SMETA Declaration

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

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

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

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

Lead auditor: Tink Ding (CSCA21705532)

Team auditor: Gary Hong (ASCA 32200439)

Interviewers: Tink Ding (CSCA21705532) / Gary Hong (ASCA 32200439)

Report writer: Gary Hong (ASCA 32200439)

Report reviewer: Kathryn Wu

Date of declaration: Feb 25, 2023

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

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

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>				• Nil
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• Nil
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• Nil
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	5			<ul style="list-style-type: none"> • Summary of Non-Compliance finding: • 1. Lack of fire-fighting acceptance certificate or register certificate. • 2. Lack of building acceptance certificate or record. • 3. Worker in mixing material workshop did not wear the provided earplugs. • 4. One electricity box was not locked; no inner cover was installed and electric wires were exposed. • 5. Hazardous chemicals without secondary containment.
4. Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• Nil

5	<u>Living Wages and Benefits</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1			<ul style="list-style-type: none"> Summary of Non-Compliance finding: 1. The factory didn't provide social insurance for all workers as local regulatory requirements.
6	<u>Working Hours</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1			<ul style="list-style-type: none"> Summary of Non-Compliance finding: 1. The workers' monthly overtime hours exceeded the local requirements.
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				<ul style="list-style-type: none"> Nil
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> Nil
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> Nil
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> Nil
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> Nil
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	<ul style="list-style-type: none"> N/A
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> Nil
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> Nil

General observations and summary of the site:

Site Summary:

- The products manufactured at this site were outdoors goods.
- Overall responsibility for meeting the standards was taken by administration manager, Mr. Wu Lanfeng.
- There were 35 employees on site (24 were migrant employees and 11 were local employees, all were permanent). Migrant employees were from Anhui, Hunan and Jiangxi of China.
- The youngest worker on site was 24 years old.
- There were 2 worker representatives in the factory.

- There was evidence of both male and female in management and among supervisor. The distribution was Male 50%, Female 50%.
- There was no peak season in the factory.
- Potable water was provided free of charge to workers in factory.
- Toilets were clean and sufficient.
- The factory provided the payroll records from Feb 2022 to Jan 2023 and attendance records from Feb 1, 2022 to the audit day for review.
- 10 workers (6 individuals and 1 group of 4 workers) were randomly selected for individual interviews and group interview.
- The workers were paid on the 10th of next month by cash.
- The factory signed the employment contracts with all employees and issued one copy to them.
- The legal requirement of RMB 2010/month (RMB 11.55/hour) since Dec 1, 2017 and RMB 2280/ month (RMB 13.10/hour) since Aug 1, 2021.
- Maximum monthly overtime hours in sample were
64 hours/month in April 2022 (Random)
70 hours/month in Oct 2022 (Random)

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

Site Details

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A: Company Name:	NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD																																											
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C: GPS location: (If available)	GPS Address:	Latitude: N29°58'59" Longitude: E121°34'21"																																										
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business License: 913302110582620979 Valid from Dec 10, 2012 to Long term																																											
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Outdoor goods																																											
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The audited factory NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD was located at 1#&2#, No.488 North Tongyuan Road, Luotuo Street, Zhenhai District, Ningbo City, Zhejiang Province. It was established on Dec 10, 2012 based on business license reviewing.</p> <p>The area of the factory was about 7000m2.</p> <table border="1"> <thead> <tr> <th>Production Building no 1</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Assembling</td> <td>Built in 2017</td> </tr> <tr> <td>Floor 2</td> <td>Warehouse</td> <td>Built in 2017</td> </tr> <tr> <td>Floor 3</td> <td>Office</td> <td>Built in 2017</td> </tr> <tr> <td>Floor 4</td> <td>showroom</td> <td>Built in 2017</td> </tr> <tr> <td>Is this a shared building?</td> <td>NO</td> <td>Nil</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Production Building no 2</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Injection molding Bow molding</td> <td>Built in 2017</td> </tr> <tr> <td>Floor 2</td> <td>Packing Warehouse</td> <td>Built in 2017</td> </tr> <tr> <td>Is this a shared building?</td> <td>NO</td> <td>Nil</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Production Building no 3</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Warehouse</td> <td>Built in 2017</td> </tr> <tr> <td>Floor 2</td> <td>Warehouse</td> <td>Built in 2017</td> </tr> <tr> <td>Is this a shared building?</td> <td>NO</td> <td>Nil</td> </tr> </tbody> </table>		Production Building no 1	Description	Remark, if any	Floor 1	Assembling	Built in 2017	Floor 2	Warehouse	Built in 2017	Floor 3	Office	Built in 2017	Floor 4	showroom	Built in 2017	Is this a shared building?	NO	Nil	Production Building no 2	Description	Remark, if any	Floor 1	Injection molding Bow molding	Built in 2017	Floor 2	Packing Warehouse	Built in 2017	Is this a shared building?	NO	Nil	Production Building no 3	Description	Remark, if any	Floor 1	Warehouse	Built in 2017	Floor 2	Warehouse	Built in 2017	Is this a shared building?	NO	Nil
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	<p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: No crack noted.</p> <p>F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F4: Please give details: No structural engineer evaluation.</p>
<p>G: Site function:</p>	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
<p>H: Month(s) of peak season: (if applicable)</p>	<p>No peak season</p>
<p>I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)</p>	<p>The products in the factory were outdoors goods. The main production processes were listed as below: Raw material-Blow molding -Injection molding -Assembling- Packing-Finished goods. There were two production lines in the factory. The main equipment used in the factory were listed as below: Blow molding machines, injection molding machines and etc.</p>
<p>J: What form of worker representation / union is there on site?</p>	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
<p>K: Is there any night production work at the site?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>L: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
<p>M: Are there any off site provided worker accommodation buildings</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
<p>N: Were all site-provided</p>	<input type="checkbox"/> Yes

accommodation buildings included in this audit

No
N1: If no, please give details

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 10:00 A2: Day 1 Time out: 17:00	A3: Day 2 Time in: A4: Day 2 Time out:	A5: Day 3 Time in: A6: Day 3 Time out:
B: Number of auditor days used:	1.5MD (2 auditors X 0.75 days)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Wu Lanfeng/ Administration manager		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	Jan 8, 2022		
J: Previous audit type:	Annual audit		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

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

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	7	0	0	14	0	0	0	21
Worker numbers – female	4	0	0	10	0	0	0	14
Total	11	0	0	24	0	0	0	35
Number of Workers interviewed – male	1	0	0	3	0	0	0	4
Number of Workers interviewed – female	2	0	0	4	0	0	0	6
Total – interviewed sample size	3	0	0	7	0	0	0	10

A: Nationality of Management	Chinese	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities:</p> <p>B1: Nationality 1: ___Chinese___</p> <p>B2: Nationality 2: _____</p> <p>B3: Nationality 3: _____</p>	<p>Was the list completed during peak season?</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods: No peak season in the factory.</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1 __100%_____</p> <p>C1: approx % total workforce: Nationality 2 _____</p> <p>C2: approx % total workforce: Nationality 3 _____</p>	
D: Worker remuneration (management information)	<p>D: _____% workers on piece rate</p> <p>D1: __100%___% hourly paid workers</p> <p>D2: _____% salaried workers</p> <p>Payment cycle:</p> <p>D3: _____% daily paid</p> <p>D4: _____% weekly paid</p> <p>D5: __100%___% monthly paid</p> <p>D6: _____% other</p> <p>D7: If other, please give details</p>	

Worker Interview Summary	
A: Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	1 group of 4 workers
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 3 D2: Female: 3
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
H: What was the most common worker complaint?	No worker complained anything.
I: What did the workers like the most about working at this site?	The workers were satisfied with their wages and working conditions.
J: Any additional comment(s) regarding interviews:	Nil
K: Attitude of workers to hours worked:	The workers said that the overtime hours were acceptable with wages.
L. Is there any worker survey information available?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details: N/A	
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>	

10 workers were selected for interview including 5 male and 5 female employees. The workers were assured of confidentiality and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory.

The workers interviews were conducted at an independent area. All workers showed a cooperative attitude during the interview process. The workers interview was conducted independently without the influence of the management. All workers expressed their positive attitude to management and workplace. They agreed with the rules and management of the factory and said that they were satisfied with working condition, payments and benefits. Based on workers interviews, the following information was summarized:

1. For child labor issues, 100% interviewed workers said they were required to submit the effective personal ID card for checking and interview with HR staff before entering the factory, all applicants should be over 16 years old. Based on workers interview, all interviewed workers' age were over 16 years old.
2. For forced labor issues, they said they were not required the "deposit" or deposited their personal ID cards, they had access to toilets and potable water freely during working time.
3. For discrimination issues, the interviewed workers said they would obtain the job based on their working experiences and abilities, the female worker or male worker's wages were calculated at the same rate if they engaged for the same work, and all interviewees confirmed that no discrimination occurred in the factory.
4. For discipline practice issues, workers said if the factory rules were broken, they would be warned, fired and trained.

No harsh or inhumane treatment in the factory.

5. For safety and health issues, the factory conducted fire drill twice per year.
6. For regular working hours issues, all interviewed workers said the normal working hour system of 8 hours a day, 40 hours a week was carried out at the factory, workers overtime worked on some rest days.
7. For wages issues, workers said they were paid by hourly rate.
8. For freedom of association issue, there were 2 worker representatives in the factory freely elected by workers.

For regular employment issue, all workers said the factory signed labour contracts with workers and issued copies.

N: Attitude of worker's committee/union reps:
(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

The worker representatives were happy with the working conditions, and they stated that they could give suggestions on all parts of the site's practices.

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

Management interview was conducted through the audit. The factory management agreed that the auditor could access to all facilities, compound documents and records requested by the audit; take photo of the factory, copy relevant document records and conduct confidential workers interview.

Audit Results by Clause

0A: Universal Rights covering UNGP

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

0.A. Guidance for Observations

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

1. The factory had a policy, endorsed at the highest level, covering human rights impacts and issues, and it was communicated to all appropriate parties, including its own suppliers.

2. Mr. Wu Lanfeng was a designated person responsible for implementing standards concerning Human rights.

3. The factory had a transparent system in place for confidentially reporting, dealing with human rights impacts without fear of reprisals towards the reporter.

4. The factory measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

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

Details:

1. Workers interview
2. Management interview
3. Document review

Any other comments:

Nil

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The factory had a policy which endorsed at the highest level, covering human rights impacts and issues.</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Wu Lanfeng Job title: Administration manager</p>
<p>C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The relevant procedure was established, and all reporters' information would be protected such as by email.</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: All workers' information was kept and locked in HR office.</p>

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

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

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: _5_ %	A2: This year _5_ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	2%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: _2_ %	C2: This year _2_ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	1%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: No serious accident happened during last 12 months.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: Number: 0	F2: This year: Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 0	H2: This year: 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months _0_ % workers	I2: 12 months _0_ % workers
J: % of workers that work on average more than 60 total hours / week in the	J1: 6 months _0_ % workers	J2: 12 months _0_ % workers

last 6 / 12 months:		
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0B: Management system and Code Implementation (Click here to return to summary of findings)
<p>0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with</p> <p>0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.B.4 Suppliers are expected to communicate this Code to all employees.</p> <p>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.</p>

Current Systems and Evidence Examined <i>To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresinconjunction withrelevantmanagers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i>
<p>Current systems:</p> <ol style="list-style-type: none"> 1. Based on talking with factory management, they were familiar with local laws and ETI Base Codes. 2. Based on document reviewing, the factory had conducted the internal audit on social accountability. 3. Mr. Wu Lanfeng was appointed to be responsible for compliance with the local laws and Codes, social accountability policy and procedure. 4. The factory communicated ETI Code to their suppliers. <p>Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):</p> <p>Details:</p> <ol style="list-style-type: none"> 1. Social accountability policy 2. Internal audit documents 3. Management interview 4. Program documents which contained all required documents and all appropriate procedures for meeting the client's code of conduct and the legal requirements. <p>Any other comments: Nil</p>

Management Systems:	
<p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: Based on management interview and document review, no negative information was identified.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The factory had a policy and procedure that reduce the risk of forced labour, child labour, discrimination, harassment & abuse, such as the</p>

	factory provided the training on relevant laws for all workers.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	The factory had established the related policy and provided the training to all related workers to make sure the policy effectively.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The factory provided the training to management and workers.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Annual training was provided for all employees and the records were available for review.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: The site didn't have any internationally recognised system certification.
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: HR department was available, Mr. Wu Lanfeng was the department manager.
H: Is there a senior person /manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Mr. Wu Lanfeng/ Administration manager
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The factory had established the confidential policy.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The factory had established the effective confidential policy confirmed by management interviews and documents review.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The factory conducted the internal audit on its social accountability periodically.
L: Does the facility have a process to address issues found when conducting risk assessments, including	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

	legal, and no relevant negative information based on interview and web search.
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Non-compliance:	
<p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p>Nil</p> <p>Local law and/or ETI requirement:</p> <p>Nil</p> <p>Recommended corrective action:</p> <p>Nil</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p> <p>Nil</p>

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

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

1: Freely Chosen Employment <i>(Click here to return to summary of findings)</i>
<p>ETI</p> <p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>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.</p>

Current Systems and Evidence Examined

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

Current systems:

1. There was a non-formalized application procedure which states that workers present their ID's for proof of age but only copies should be kept in the personnel files and the original would be given back to the workers.
2. The terms and conditions of employment in the handbook stated that the workers were free to leave the workplace outside of their working hours.
3. The workers were not required lodging deposits or their identity papers to the factory at the beginning of employment.
4. No forced, bonded or involuntary prison labour was identified during the audit.

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

Details:

1. Personnel files
2. Factory rules
3. Employee handbook
4. Management and worker interview

Any other comments:

Nil

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:</p>
<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding:</p>
<p>E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding:</p>
<p>F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding:</p>

work day?	Nil
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: The factory conducted the risks of forced / trafficked / bonded labour.
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The factory had established the effective employment policies, and it was implemented by HR department.

Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: Nil Local law and/or ETI requirement Nil Recommended corrective action: Nil	Objective evidence observed: (where relevant please add photo numbers) Nil
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Observation:

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

Description of Good Example (GE): Nil	Objective evidence observed: Nil
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2: Freedom of Association and Right to Collective Bargaining are Respected

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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

- 1. There were 2 worker representatives in the factory freely elected by workers.
- 2. All interviewees confirmed that they could raise their complaints to worker representatives.
- 3. The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). As a consequence, all trade unions of factories in China are under the management of ACFTU. And most of the trade union representatives are appointed directly by it. Additionally, the trade union activity is limited on the right to organize and bargain collectively in China.

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

Details:

- 1. Interview with workers
- 2. Interview with managers
- 3. Social responsibility policy

Any other comments:

Nil

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

<p>effective worker/management communication channel?(Other than union/worker committee e.g. H&S, sexual harassment)</p>	<p><input type="checkbox"/> No D1: Please give details: The workers could raise their grievances or complaint to worker representatives. The workers could also raise their grievances or complaint through suggestion box.</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The meeting room was provided for the worker committee to conduct meeting with management.</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>There was no union in the factory.</p>	<p>F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p>	<p>There were 2 worker representatives in the factory.</p>	<p>G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>I: Were worker representatives freely elected?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Date of last election: March 2,2022</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>K: Were worker representatives/union representatives interviewed?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: One Male</p>	
<p>L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.</p>	<p>The worker representative meeting was conducted quarterly, and the last was conducted on Dec 1, 2022, the topic was caring about EHS of workers, and the meeting was conducted about 2 hours.</p>	
<p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>If Yes, what percentage by trade Union/worker representation</p>	<p>M1: ___% workers covered by Union CBA</p>	<p>M2: ___% workers covered by worker rep CBA</p>
<p>M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	

Non-compliance:

1. Description of non-compliance:

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

Nil

Local law and/or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

(where relevant please add photo numbers)

Nil

Observation:

Description of observation:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

Good Examples observed:

Description of Good Example (GE):

Nil

Objective evidence observed:

Nil

3: Working Conditions are Safe and Hygienic

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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

- 1. The factory established a health and safety policy and a health and safety committee was established.
- 2. Fire extinguishers were inspected once every month, and records were available.
- 3. The factory provided accessible drinking water at production floor.
- 4. The factory provided adequate toilets for workers. Based on onsite observation, toilets were clean, private and separated for men and women.
- 5. First aid kit was available at workshop.
- 6. Based on workers interview, relevant workers were provided training about EHS, such as machine operating.

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

Details:

- 1. Health & safety policy
- 2. Accident, injury records
- 3. Fire equipment maintenance records
- 4. Interviews with H&S manager
- 5. Interviews with workers and H&S committee members

Any other comments:

Nil

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to

Yes

No

A1: Please give details: The factory had established the Health and Safety policy and communicated to workers through

workers?	trainings and worker handbook.
B: Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The policy was written in worker's manual.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There was no structural addition in the factory.
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The visitors were informed on H&S when entered the factory by training, provided with personal protective equipment when necessary.
E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: No local law requirement, while, the first aids kit was available in workshop.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: No local law requirement for a doctor or nurse on site, but the factory had 1 trained first aider.
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: N/A. Factory didn't provide transport for workers.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: N/A. There was no dormitory
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The factory conducted the H&S risk assessments and the factory trained the workers regularly.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The site was meeting its legal obligations on environmental requirements including all required permits.

<p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>K1: Please give details: The site had a copy of the banned substances list from its customer and was meeting those requirements.</p>
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Non-compliance:

1. Description of non-compliance:

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

Lack of fire-fighting acceptance certificate or register certificate. There were one 4-storey building and two 2-storey buildings as production areas and office, the total area was about 5350m², the factory didn't provide fire-fighting acceptance certificates or register certificates for the above buildings.

Local law and/or ETI requirement

Fire Prevention Law of the People's Republic of China (2019 Amendment),

Article 11 For a special construction project as specified by the housing and urban-rural development authority under the State Council, the construction employer shall submit fire protection design documents to the housing and urban-rural development authority for review, and the housing and urban-rural development authority shall be responsible for review results according to the law.
 For a construction project other than one specified in the preceding paragraph, the construction employer shall provide fire protection design drawings and technical information as needed for construction when applying for a construction license or approval of the construction commencement report.
 Article 13 Where the housing and urban-rural development authority under the State Council requires that an application for fire protection final inspection of an as-built construction project should be filed, a construction employer shall file such an application with the housing and urban-rural development authority.
 For a construction project other than one specified in the preceding paragraph, the construction employer shall report for recordation to the housing and urban-rural development authority after final inspection, and the housing and urban-rural development authority shall conduct random inspection.
 Where a construction project that is subject to fire protection final inspection according to the law fails or is nonconforming as established by the fire protection final inspection, it shall be prohibited from being put into use; and any other construction project that is nonconforming as established by random inspection conducted under the law shall cease to be used.

Recommended corrective action:

ETI 3.1.

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

Recommended corrective action:

The factory should provide fire-fighting acceptance certificates or register certificates for all the buildings.

Objective evidence observed:

Onsite observation
 Document review

2. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:
Lack of building acceptance certificate or record.

There were one 4-storey building and two 2-storey buildings as production areas and office, the total area was about 5350m², the factory didn't provide building acceptance certificates or records for the above buildings.

Local law and/or ETI requirement:

Construction Law of the People's Republic of China (2019 Amendment), Article 61

A construction project may only be handed over for use upon passing the acceptance checks; no construction project shall be handed over for use without going through the acceptance checks or passing the acceptance checks.

ETI 3.1.

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

The factory should provide building acceptance certificates or records for all the buildings.

3. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:
Based on onsite observation, it was noted that one worker working in mixing material workshop did not wear the provided earplugs.

Local law and/or ETI requirement:

Production Safety Law of the People's Republic of China (2014 Amendment), Article 42

A business entity must provide labor protection articles that meet the national standards or industrial standards to the employees, supervise and educate employees to wear and use these articles according to the prescribed rules.

ETI 3.1.

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

The factory should supervise and train the employees on properly wearing PPE

4. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:
Based on onsite observation, auditor found that hazardous chemicals such as lubricating oil were stored in injection workshop, but there was no valid secondary containment.

Objective evidence observed:

Onsite observation
Document review

Objective evidence observed:

Onsite observation
NC photo No. 1

Objective evidence observed:

Onsite observation
NC photo No. 2

Local law and ETI requirement:

In accordance with article 20 of Regulation for Safety of Hazardous Chemical, an entity producing or storing hazardous chemicals shall, according to the category and dangerous properties of the hazardous chemicals it produces or stores, set up monitoring, controlling, ventilation, sun-proof, temperature-controlled, fireproof, firefighting, blast-proof, pressure discharging, poison-proof, neutralizing, moisture-proof, lightening-proof, static-proof, antiseptis, and anti-leakage safety facilities or equipment, such as protection dams and segregated operations, etc. at the work places, and maintain them on a routine basis according to the national standards, industrial standards or relevant state provisions so as to guarantee the normal functioning thereof.

ETI3.1

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

Recommended corrective action:

It is recommended that the proper Secondary container should be provided to chemical.

5. Description of non-compliance:

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

It was noted one electricity box in finished goods warehouse was not locked, no inner cover was installed and electric wires were exposed.

Local law and/or ETI requirement:

In accordance with Article 5.1.2 of the General Guide for Safety of Electric User (GB/T13869-2017), electric circuit in use must have sufficient insulation strength, mechanical strength and conductive capability and the installation of which should meet the standards for corresponding electrical devices.

ETI3.1

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

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that all electrical equipment is properly insulated to avoid hazard of electrical shock.

Objective evidence observed:

Onsite observation
NC photo No. 3

Observation:

Description of observation:

Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Good Examples observed:

Description of Good Example (GE):

Niki

Objective Evidence Observed:

Nil

4: Child Labour Shall Not Be Used

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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

- 1. The factory established a policy to protect young workers which stated that they would be given a regular health check and would be registered with the local labour office.
- 2. Checks of workers files showed that the youngest worker on site was 24 years old who was born on Oct 9, 1998 and entered the factory on Oct 26, 2022.

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

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

Details:

- 1. Recruitment policy & procedure.
- 2. Employees' personal file and roster
- 3. Younger workers' registration form

Any other comments:

Nil

A: Legal age of employment:	16 years old
B: Age of youngest worker found:	24 years old who was born on Oct 9, 1998 and entered the factory on Oct 26, 2022.
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

(Go to clause 3 – Health and Safety)	E1: If yes, give details
------------------------------------------------------	--------------------------

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Nil</p> <p>Local law and/or ETI requirement: Nil</p> <p>Recommended corrective action: Nil</p>	<p>Objective evidence observed: (where relevant please add photo numbers) Nil</p>
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Observation:

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

<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>
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5: Living Wages are Paid

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

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

ETI

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

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

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

Current Systems and Evidence Examined

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

Current systems:

1. The factory provided payroll records from Feb 2022 to Jan 2023 for review.
2. 100% workers were paid according to hourly rate. The legal requirement of RMB 2100/month (RMB 11.55/hour) since Dec 1, 2017 and RMB 2280/ month (RMB 13.10/hour) since Aug 1, 2021.
3. The wages office was well organized with a good controlled set of processes which are understood by all employees.
4. All workers were provided with written and understandable information about their employment conditions in respect to wages before they entered employment and about the particulars of their wages for the pay period concerned each time that they were paid.
5. All workers were paid on the 10th of next month by cash and each worker was given a pay slip and signed for their wages.

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

Details:

1. Local and national laws
2. Wages and benefits policy
3. Local legal minimum wage documents
4. Payroll records from Feb 2022 to Jan 2023 of all workers interviewed
5. Leave records of workers
6. Social insurance and payment receipts
7. Labour contracts for all employees
8. Resignation records

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

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

The factory didn't provide social insurance for all workers as local regulatory requirements. Based on document review, the factory had 32 employees, the factory bought retirement insurance, medical insurance, unemployment insurance, maternity insurance and injury insurance for 26 employees, didn't provide insurance for the other employees.

Objective evidence observed:

(where relevant please add photo numbers)
Document review
NC photo No. 4

Local law and/or ETI requirement:

Labor Law of the People's Republic of China (2018 Amendment)

Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and an overall pooling of insurance funds from the society shall be introduced step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law.

Article 73, Laborers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances:

1. Retirement;
 2. Illness or injury;
 3. Disability caused by work-related injury or occupational disease;
 4. Unemployment; and
 5. Child-bearing.
- ...

ETI 5.1.

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

Recommended corrective action:

The factory should provide social insurance to all employees who were required by legal requirements.

Observation:

Description of observation:

Nil

Objective evidence observed:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Good Examples observed:

Description of Good Example (GE):

Nil

Objective Evidence Observed:

Nil

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum:8 hours per day plus 40 hours per week.	A1: 8 hours per day plus 40 hours per week	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum:3 hours per day and 36 hours per month.	B1:2 hour per day 14 hours per week 70 hours per month	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: RMB 2010/month (RMB 11.55/hour) since Dec 1, 2017 and RMB 2280/month (RMB 13.10/hour) since Aug 1, 2021	C1: RMB 13.79 per hour	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum:150% of normal wage rate for weekday overtime, 200% of normal wage rate for weekend overtime and 300% of normal wage rate for statutory holiday overtime.	D1: 150% of normal wage rate for weekday overtime, 200% of normal wage rate for weekend overtime and 300% of normal wage rate for statutory holiday overtime.	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis:

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

A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If No , why not?	N/A
B: Sample Size Checked	10 samples from April 2022 (Random)

<p>(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)</p>	<p>10 samples from Oct 2022 (Random) 10 samples from Jan 2023 (Current)</p>		
<p>C: Are there different legal minimum wage grades? If Yes, please specify all.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>C1: If Yes, please give details:</p>	
<p>D: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p>D1: If No, please give details:</p>	
<p>E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<p><input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above</p>	<p>E1: Lowest actual wages found:<i>Note: full time employees and please state hour / week / month etc.</i> RMB 13.79/hour</p>	
<p>F: Please indicate the breakdown of workforce per earnings:</p>	<p>F1: ___% of workforce earning under minimum wage F2: ___% of workforce earning minimum wage F3: __100__% of workforce earning above minimum wage</p>		
<p>G: Bonus Scheme found: Please specify details:</p>	<p>Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week/month etc.</i> No bonus was provided for workers.</p>		
<p>H: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>Social insurance, personal income tax</p>		
<p>I: Have these deductions been made?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Please list all deductions that have been made.</p>	<p>1. social insurance 2. personal income tax Please describe: 66.67% workers need to pay part of social insurance which should be paid by themselves. About 30% workers need to pay personal income tax.</p>
		<p>I2: Please list all deductions that have not been made.</p>	<p>1. Nil Please describe: N/A</p>
<p>J: Were appropriate records available to verify hours of work and wages?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>		

<p>K: Were any inconsistencies found? (if yes describe nature)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>K1: Type</p> <p><input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:</p>
<p>L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>L1: Please give details: The attendance records were accurate.</p>
<p>M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>M1: Please specify amount/time: There was no defined living wage.</p>
<p>M2: If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: N/A</p>	
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>N1: Please give details: There was an annual review when local wage rates were examined.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>P1: Please give details: Through factory rules review, payroll records review and employee's interview, it was confirmed that equal rates were paid for equal work.</p>
<p>Q: How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other</p>	<p>Q1: If other, please explain:</p>

6: Working Hours are not Excessive

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

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

ETI

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

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

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

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

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

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

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

Current Systems and Evidence Examined

To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresinconjunction withrelevantmanagers, 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. Normally, the factory conducted 8 hours per day and 40 hours of work time from Monday to Friday.
2. Through employees' interview, overtime was voluntary.
3. The factory provided attendance records from Feb 1, 2022 to the audit day for review.
4. Overtime working hour was based on product order.
5. The max overtime hour: 2 hours per day, 14 hours per week and 70 hours per month.
6. All the workers worked one shift: 8:00-11:30; 12:00-16:30.

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

Details:

1. Employee interview
2. Management interview
3. Factory policy on working hours
4. Sample pay slips with recorded hours all workers interviewed

- 5. Workers contracts
- 6. Attendance records from Feb 1, 2022 to the audit day.

Any other comments:
Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:
Sampled employees worked in excess of the statutory overtime hour limits. A review of attendance records of Jan 2023, Oct 2022 and April 2022 yielded the following: (1) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 70 hours) in Oct 2022. (2) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 64 hours) in April 2022.

Local law and/or ETI requirement:

Labor Law of the People’s Republic of China (2018 Amendment), Article 41

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

ETI 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 beenough to meet basic needs and to provide some discretionary income.

Recommended corrective action:

The factory should ensure the workers monthly overtime hours comply with the local requirements.

Objective evidence observed:

(where relevant please add photo numbers)
Document review
NC photo No. 5

Observation:

Description of observation:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

Good Examples observed:

Description of Good Example (GE):
Nil

Objective Evidence Observed:
Nil

Working hours' analysis

Please include time e.g. hour/week/month
[\(Go back to Key information\)](#)

Systems & Processes

A. What timekeeping systems are used: time card etc.

Describe: Fingerprint

B: Is sample size same as in wages section?

Yes
 No
B1: If no, please give details

C: Are standard/contracted working hours defined in **all** contracts/employment agreements?

Yes
 No

C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.
Please give details:

D: Are there any other types of contracts/employment agreements used?

Yes
 No

D1: If YES, please complete as appropriate:

0 hrs Part time Variable hrs Other

If "Other", Please define:

N/A

E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?

Yes
 No

E1: If **yes**, please detail hours, %, types of workers affected and frequency
Please give details:

F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?

F2: Please select all applicable:
 1 in 7 days
 2 in 14 days
 No
If 'No', please explain:

F3: Is this allowed by local law?
 Yes
 No

	Maximum number of days worked without a day off (in sample):	
	6 days	
Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: N/A
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: N/A
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 2 hours/ day, 14 hours/ week, 64 hours/ month in April 2022 (Random) 2 hours/ day, 14 hours/ week, 70 hours/ month in Oct 2022 (Random) 2 hours/ day, 12 hours/ week, 12 hours/ month in Jan 2023 (Current)	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	___90___%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements: Based on worker interview, the overtime was voluntary.
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 150% of normal wage rate for weekday overtime, 200% of normal wage rate for weekend overtime and 300% of normal wage rate for statutory holiday overtime.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100% workers per month

<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other N/A </p> <p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p> <p>N/A</p>
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) N/A </p> <p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> <p>The max weekly working hours were 54 hours.</p>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details: </p>
<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p>

7: No Discrimination is Practiced

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

ETI

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

Current Systems and Evidence Examined

To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresin conjunction withrelevantmanagers, 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. As informed by interviewed workers, most employees spoke highly of the factory owner.
2. No worker was required to do the examination of the hepatitis B virus and HIV.
3. Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work.
4. According to management interview and worker interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background, etc.; female workers and male workers had the same pay and working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement.
5. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found.

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

Details:

1. Attendance records
2. Payrolls
3. The hiring and termination procedure, leave application records and employee handbook.
4. Workers interview

Any other comments:

Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: __50__ % A2: Female __50__ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	Technician: 1
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation,	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion

union membership or political affiliation?:	<input type="checkbox"/> Termination or retirement <input type="checkbox"/> No evidence of discrimination found N/A C1: Please give details: NA No evidence of discrimination found.
---------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Professional Development

A: What type of training and development are available for workers?	All workers are given H&S training.
---------------------------------------------------------------------	-------------------------------------

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------

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

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

Good Examples observed:

Description of Good Example (GE):
Nil

Objective Evidence Observed:
Nil

8: Regular Employment Is Provided

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

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

ETI

- 8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- 8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

- 8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.
- 8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.
- 8.5 Employment agencies must only supply workers registered with them.
- 8.6 Workers pay no recruitment fee at any stage of the recruitment process.
- 8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

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

Current systems:

- 1. The factory had established employment policy. All employees were recruited by the factory directly. No labour agency was used to hire worker. No temporary worker, apprenticeship schemes or home worker was identified by the auditor.
- 2. No homework was arranged; no apprenticeship scheme was found in this factory.
- 3. Based on worker interview and document review, the factory signed labor contracts with all its workers when the workers were hired.

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

Details:

- 1. Employment procedure: the factory had established employment procedure.
- 2. Labor contract
- 3. Training records.
- 4. Social responsibility policy and procedure.

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

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

Local law and/or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

(where relevant please add photo numbers)

Nil

Observation:

Description of observation:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

Good Examples observed:

Description of Good Example (GE):

Nil

Objective Evidence Observed:

Nil

Responsible Recruitment

All Workers

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

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

A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:

B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?

- Yes
- No

B1: If yes, please describe details and specific category(ies) of workers affected:

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

<p>Migrant Workers:</p> <p><i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i></p>		
<p>A: Type of work undertaken by migrant workers:</p>	All types of work in the factory	
<p>B: Please give details about recruitment agencies for migrant workers:</p>	<p>B1: Total number of (in country recruitment agencies) used:0</p> <p>B2: Total number of (outside of local country) recruitment agencies used: 0</p>	
<p>C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Migrant worker's voluntary deductions (such as for social insurance) confirmed in writing by the worker and is evidence of the transaction supplied	<p>C2: Observations: Migrant worker's voluntary deductions (such as for social insurance) confirmed in writing by the worker and is evidence of the transaction supplied by the facility.</p>

<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: If yes, number and example of roles: 17 migrant workers were in skilled.</p>
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NON-EMPLOYEE WORKERS

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

Agency Workers (if applicable) <i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: 0
B: Were agency workers' age/pay/hours included within the	<input type="checkbox"/> Yes <input type="checkbox"/> No

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

Contractors:

Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,

A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details: 0
B: If Yes , how many workers supplied by contractors?	N/A
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A C1: Please describe finding: N/A
D: If Yes , please give evidence for contractor workers being paid per law:	N/A

8A: Sub-Contracting and Homeworking

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

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

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

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

Note to auditor on homeworking:

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

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

Current Systems and Evidence Examined

To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresinconjunction withrelevantmanagers, 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. No sub-contracting or home working was identified in the factory.
2. Based on onsite observation, the factory had all the processes for manufacturing the products.

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

- 1.Site tour (Calculation on total production and estimated capacity)
- 2.Materials in/out records
- 3.Management interview
- 4.Worker interview

Details:

Nil

Non-compliance:

1. Description of non-compliance:

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

Local law and/or ETI /Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

(where relevant please add photo numbers)

Nil

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

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

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable			
<input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:

<p>C: Are homeworkers employed direct or through agents?</p>	<p><input type="checkbox"/> Directly <input type="checkbox"/> Through Agents</p>	<p>C1: If through agents, number of agents:</p>
<p>D: Is there a site policy on homeworking?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: How does the site ensure worker hours and pay meet local laws for homeworkers?</p>		
<p>F: What processes are carried out by homeworkers?</p>		
<p>G: Do any contracts exist for homeworkers?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>G1: Please give details:</p>	
<p>H: Are full records of homeworkers available at the site?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	

9: No Harsh or Inhumane Treatment is Allowed

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

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

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

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

<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>H1: If no, please give details N/A</p>
<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>I1: If yes, please give details : The disciplinary procedure didn't allow for deductions from wages (fines) for disciplinary purposes.</p>

Current Systems and Evidence Examined

To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresin conjunction withrelevantmanagers, 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. No negative evidence of mental / physical coercion was identified during the audit.
2. There was no evidence of sexual harassment.
3. The workers interviewed said they never witnessed any cases of physical abuse or discipline, sexual or other harassment and verbal abuse or other forms of intimidation existed in this factory.
4. The duties of security guards were to protect safety of factory's property, to regularized entrance/exit of goods/ vehicles/ employees/ visitors.

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

Details:

1. Factory rules.
2. Security guard regulation.
3. Workers' interview

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

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

Nil

Nil

Local law and/or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

(where relevant please add photo numbers)

Nil

Nil

Observation:

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

<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>
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10. Other Issue areas: 10A: Entitlement to Work and Immigration

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

Additional Elements

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

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresin conjunction withrelevantmanagers, 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. No employment agency was used by the factory.
2. Per document review, factory management representation and worker interview, all workers in the factory were Chinese, there were 35 employees on site (24 were migrant employees and 11 were local employees, all were permanent). Migrant employees were from Anhui, Hunan and Jiangxi of China. All of them were recruited directly by the factory and no agency was involved in factory's recruitment processes.

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

Details:

- 1.Hiring procedure
- 2.Management confirmed

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements

NC against Local Law

NC against customer code:

Nil

Local law and/or ETI /Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

(where relevant please add photo numbers)

Nil

Observation:

<p>Description of observation: Nil</p> <p>Local law or ETI/Additional Elements requirement: Nil</p> <p>Comments: Nil</p>	<p>Objective evidence observed: Nil</p>
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Good examples observed:

<p>Description of Good Example (GE): Nil</p>	<p>Objective Evidence Observed: Nil</p>
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10. Other issue areas 10B4: Environment 4–Pillar

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

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

B.4. Compliance Requirements

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

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

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

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

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

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

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

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

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

B4. Guidance for Observations

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

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

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

Current Systems and Evidence Examined

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

Current systems:

1. The factory had established environmental management system, risk assessment was conducted accordingly; in addition, the factory established environment targets and took measures and actions to reduce environmental impact.

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

Details:

- 1. Worker and management interviews
- 2. Site tour
- 3. Environment manual and procedures

Any other comments:

Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements

NC against Local

NC against customer code:

Nil

Local law and/or ETI/Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

(where relevant please add photo numbers)

Nil

Observation:

Description of observation:

Nil

Local law or ETI/Additional elements requirements:

Nil

Comments:

Nil

Objective evidence observed:

Nil

Good examples observed:

Description of Good Example (GE):

Nil

Objective Evidence Observed:

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Mr. Wu Lanfeng/ Administration manager
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The factory conducted a risk assessment on the environmental impact of the site yearly.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: The site didn't have any internationally recognized system certification.
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? The Environmental policy was public onsite.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The factory addressed the key impacts from their operations and their commitment to improvement.
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: Site does not have other sustainability systems present.
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: All legally required permits were shown.
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A I1: Please give details: There was a documentation process to record hazardous chemicals used in the manufacturing process.
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Facility had reduction targets in place for environmental aspects.
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details :Facility had evidence of waste recycling, in order to reduce environment pollution.

L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: Facility had evidence of waste recycling.
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility had a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognized protocols or standards.
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Facility had checked business partners operating on the premises have appropriate permits and licenses, and are conducting business in line with environmental expectations of the facility.

Usage/Discharge analysis

Criteria	Previous year: Please state period: Jan 1,2021-Dec 31,2021	Current Year: Please state period: Jan 1,2022-Dec 31,2022
Electricity Usage: <i>Kw/hrs</i>	60	50
Renewable Energy Usage: <i>Kw/hrs</i>	0	0
Gas Usage: <i>Kw/hrs</i>	0	0
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	N/A	N/A
Water Sources: <i>Please list all sources e.g. lake, river, and local water authority.</i>	Local water authority.	Local water authority.
Water Volume Used: <i>(m³)</i>	8000	6500
Water Discharged: <i>Please list all receiving waters/recipients.</i>	Municipal pipe network	Municipal pipe network
Water Volume Discharged: <i>(m³)</i>	4000	3000
Water Volume Recycled: <i>(m³)</i>	3000	2000
Total waste Produced <i>(please state units)</i>	6T	4T

Total hazardous waste Produced: <i>(please state units)</i>	0	0
Waste to Recycling: <i>(please state units)</i>	4.5T	3T
Waste to Landfill: <i>(please state units)</i>	4T	2T
Waste to other: <i>(please give details and state units)</i>	2T	2T
Total Product Produced <i>(please state units)</i>	150000	120000

10C: Business Ethics – 4-Pillar Audit

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

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

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

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

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

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

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

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

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

10C. Guidance for Observations

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

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

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

Current Systems and Evidence Examined

To complete 'current systems' Auditorsexaminepoliciesandwrittenproceduresin conjunction withrelevantmanagers, 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. Mr. Wu Lanfeng/ Administration 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 workers through posters and training.
3. The site had received and read the Business Ethics policy of the auditor/audit company.

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

Details:

1. The factory established Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice.
2. The factory communicated the Business Ethics policy to suppliers.
3. The factory communicated the Business Ethics policy to relevant workers.

- 4. The factory conducted the risk on Business Ethics and provided the training to all workers.
- 5. The factory had a transparent system in place for confidentially reporting, dealing with unethical Business Ethics without fear of reprisals towards the reporter.
- 6. Interview with management and workers.

Any other comments:
Nil

Non-compliance:

1. Description of non-compliance:

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

Nil

NC against Local

Objective evidence observed:

(where relevant please add photo numbers)

Nil

Local law and/or ETI/Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Observation

Description of observation:

Nil

Objective evidence observed:

Nil

Local law or ETI/Additional elements requirement:

Nil

Comments:

Nil

Good examples observed:

Description of Good Example (GE):

Nil

Objective Evidence Observed:

Nil

<p>A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p>	<p><input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers</p> <p>A1: Please give details: The factory had a Business Ethics Policy and the policy was communicated to workers and suppliers.</p>
<p>B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B1: Please give details: The latest training was conducted on June6, 2022.</p>
<p>C: Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C1: Please give details: Examined each year by HR department and adjusted if needed.</p>
<p>D: Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: Please give details: Confirmed by management interview and document reviewing, the supplier would sign the agreement on business ethics. And the supplier would train their employees.</p>

Other findings

Other Findings Outside the Scope of the Code

Nil

Community Benefits

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

Nil



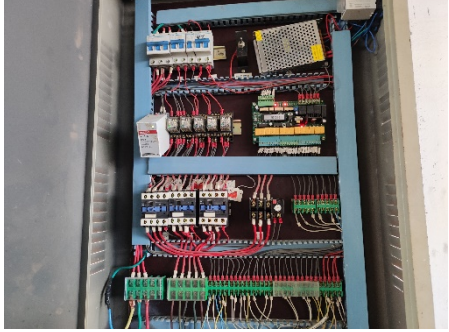


Appendix 1

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

Not Applicable please x


Photo Form

Non-compliance

		
<p>NC #1: Worker did not wear the provided earplugs.</p>	<p>NC #2: No valid secondary containment.</p>	<p>NC #3: Electric box unlocked, no inner cover was installed and electric wires were exposed.</p>
		<p>End</p>
<p>NC #4: The factory didn't provide social insurance for all workers as local regulatory requirements.</p>	<p>NC #5: The workers' monthly overtime hours exceeded the local requirements.</p>	<p>End</p>

General Site Tour Photos

<p>Factory address</p>	<p>Factory gate</p>	<p>Factory name</p>
<p>Production building</p>	<p>Suggestion box</p>	<p>Attendance machine</p>
<p>First aid kit</p>	<p>Evacuation plan</p>	<p>Warning sign</p>
<p>Injection workshop</p>	<p>Toilet</p>	<p>Finished goods warehouse</p>

		
<p>Fire extinguisher and Hydrant</p>	<p>Exit sign and emergency light</p>	<p>Fire alarm</p>



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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:](#)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3Inq5lw_3d_3d

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

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d

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