




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1083936	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1018125
Business name (Company name):	Shantou Europe-Pack Plastic Co., Ltd.		
Site name:	Shantou Europe-Pack Plastic Co., Ltd. 汕头市欧派客塑胶有限公司		
Site address: <i>(Please include full address)</i>	Qianxi Part Liannan Industrial park Lianxia Town Chenghai District Shantou Guangdong China 汕头市澄海区莲下镇莲南工业区潜溪村大湖片	Country:	China
Site contact and job title:	Ms. Du Xiuru/ Admin manager		
Site phone:	0754-85115155	Site e-mail:	492542734@qq.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	August 12-13, 2021		

Audit Company Name & Logo: Bureau Veritas CPS  BUREAU VERITAS	Report Owner (payer): SHANTOU EUROPE PACK PLASTIC 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):

This audit includes elements beyond the scope of a Social Compliance Audit as defined by the APSCA Competency Framework. The association of the auditor's APSCA number with this report is limited to those elements outlined in the APSCA Competency Framework. APSCA makes no representations with respect to the auditor's competency to professionally evaluate compliance with any other audit elements.

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

Lead auditor: Edward Huang

APSCA number: 21702227

Lead auditor APSCA status: Registered Auditor

Team auditor: Nil

APSCA number: Nil

Interviewers: Edward Huang

APSCA number: 21702227

Report writer: Edward Huang

Report reviewer: Hester Wu

Date of declaration: August 13, 2021

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

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

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		0	0	None observed
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	3	0	0	NC: 1. Not wear PPE 2. No safety label 3. No occupational health checks
4. Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
5. Living Wages and Benefits	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	NC: Insufficient social insurance
6. Working Hours	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	NC: Overtime in excess of legal limit
7. Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed

8	Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
8A	Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
9	Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	N/A
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed

General observations and summary of the site:

Site Summary:

Shantou Europe-Pack Plastic Co., Ltd. was DAHU PART QIANXIVILLAGE LIANNAN INDUSTRIAL PARK LIANXIA TOWN CHENGHAIDISTRICT SHANTOUCITY GUANGDONG. The factory was established on July 9, 2009.

The 4-pillar audit was performed over 1.5 day by 1 auditor and included interviews and records inspection of 14 workers. Workers interviewed were including both male and female. All workers were favourable towards the company.

They enjoyed the work and stated it was a friendly environment. Pay was always accurate and paid on time; no issues with the payslips were noted. Also, they stated that they felt comfortable in approaching with any concerns they had.

There were several non-compliances found in the audit as per the table, specific examples include wages and hours, health and safety.

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

Site Details

Site Details																																									
A: Company Name:	Shantou Europe-Pack Plastic Co., Ltd.																																								
B: Site name:	Shantou Europe-Pack Plastic Co., Ltd.																																								
C: GPS location: (If available)	GPS Address: Qianxi Part Liannan Industrial park Lianxia Town Chenghai District Shantou Guangdong China.	Latitude: 23, 31, 27 Longitude: 116,45,44																																							
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 no: 91440515690530083W Valid from July 9, 2009 to long term																																								
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Plastic product																																								
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Factory consisted of one 5-storey empty building, one 9-storey production building and one 8-storey dormitory with canteen was located at 2nd floor of the dormitory building.</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>Empty</td> <td>Nil</td> </tr> <tr> <td>Floor 2-5</td> <td>Empty</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> <tr> <th>Production Building no.2</th> <th>Description</th> <th>Remark, if any</th> </tr> <tr> <td>Floor 1</td> <td>Workshop</td> <td>Nil</td> </tr> <tr> <td>Floor 2-9</td> <td>Workshop</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> <tr> <th>Dormitory Building no.1</th> <th>Description</th> <th>Remark, if any</th> </tr> <tr> <td>Floor 1</td> <td>empty</td> <td>Nil</td> </tr> <tr> <td>Floor 2</td> <td>canteen</td> <td>Nil</td> </tr> <tr> <td>Floor 3-8</td> <td>dormitory</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> </tbody> </table> <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 cracks noted in the factory.</p>		Production Building no.1	Description	Remark, if any	Floor 1	Empty	Nil	Floor 2-5	Empty	Nil	Is this a shared building?	No	Nil	Production Building no.2	Description	Remark, if any	Floor 1	Workshop	Nil	Floor 2-9	Workshop	Nil	Is this a shared building?	No	Nil	Dormitory Building no.1	Description	Remark, if any	Floor 1	empty	Nil	Floor 2	canteen	Nil	Floor 3-8	dormitory	Nil	Is this a shared building?	No	Nil
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	<p>F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>F4: Please give details: Factory provided registration files of inspection for completed building construction projects for review.</p>		
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor		
H: Month(s) of peak season: (if applicable)	No obvious		
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	Injection, assembly, Packing 2 production lines Main equipment: injection machine		
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None		
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: If yes, approx. 50% of workers in on site accommodation		
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers		
N: Were all site-provided accommodation buildings included in this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: If no, please give details		
Audit Parameters			
A: Time in and time out	Day 1 Time in: 13:30 Day 1 Time out: 17:30	Day 2 Time in: 9:30 Day 2 Time out: 17:30	Day 3 Time in: Day 3 Time out:

B: Number of auditor days used:	1.5
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 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 N/A
G: Who signed and agreed CAPR (Name and job title)	Ms. Du Xiuru/ Admin 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:	August 28, 2020
J: Previous audit type:	Full Initial
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

<p>D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i></p>	<p>N/A</p>
<p>E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i></p>	<p>No union on site</p>

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	5	0	0	30	0	0	0	35
Worker numbers – female	13	0	0	22	0	0	0	35
Total	18	0	0	52	0	0	0	70
Number of Workers interviewed – male	2	0	0	5	0	0	0	7
Number of Workers interviewed – female	2	0	0	5	0	0	0	7
Total – interviewed sample size	4	0	0	10	0	0	0	14



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



Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	4 employees; 1 group with 4 employees in each group.	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 5	D2: Female: 5
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 complaint was raised.	
I: What did the workers like the most about working at this site?	Humanized management, good working environment and timely wage payment.	
J: Any additional comment(s) regarding interviews:	Nil	
K: Attitude of workers to hours worked:	Overtime working was voluntary and the overtime hours were acceptable.	
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>		

14 workers were randomly selected from all departments for private interview or group interview. In general, the attitude of workers was favourable. Workers said that the factory management treated them friendly, and they were satisfied with their working environment, payment and working time. The interview responses were coincident with the management interview and what the records showed.

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

Worker reps. represented that factory management provided support such as, meeting rooms and time for the committee.

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

At the opening meeting, auditor explained the audit scope and the audit standard to the factory representative. Factory tour, document review, interviews of management members and workers were conducted as scheduled. A full audit was finished under the co-operation with the factory representatives. During the factory tour, auditor was allowed to access the whole factory area. Factory management also allowed auditor to select the samples, review documents, and interview production workers in a private and confidential manner.

Audit Results by Clause

0A: Universal Rights covering UNGP

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

0.A. Guidance for Observations

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

1. The facility had established a procedure of covering human rights impacts and issues.
2. Admin Supervisor was responsible for implementing standards concerning Human rights.
3. A transparent system was in place e.g. suggestion box.

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

Details: Web site with human rights statement, and employee handbook, some anonymous grievance material from the confidential e mail

Any other comments: Nil

A: Policy statement that expresses commitment to respect human rights?

Yes

No

A1: Please give details: The facility had a policy, endorsed at the highest level, covering human rights impacts and issues, and ensured it was communicated to all appropriate parties, including its own suppliers.

<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</p> <p>Please give details: Name: Ms. Du Xiuru Job title: Admin 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</p> <p>C1: Please give details: The businesses had a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.</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</p> <p>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</p> <p>E1: Please give details: The business demonstrated effective data privacy procedures for workers' information, which was implemented.</p>

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

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

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: __5__ %	A2: This year __4__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	5%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: __2__ %	C2: This year __3__ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	2%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: The factory established a system for the statistical report and treatment of accidents of injuries or deaths and cases of occupational diseases. According to the accidents records, it was noted that no accidents had occurred during the past year.	
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: 2020 Number: 0	F2: This year: 2021 Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 0	H2: This year: 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__% workers	I2: 12 months __0__% workers

J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months ___0___% workers	J2: 12 months ___0___% workers
-------------------------------------------------------------------------------------------------	----------------------------------	-----------------------------------

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
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current systems: The auditor checked the Statutory Documents such as Business registration certificates, Local minimum wage notice, Payment receipt of social insurance schemes, Work permits for special & dangerous operations, Non-Statutory Documents such as Employment registration records, Fire drill records, Floor plan, Worker handbook, Factory regulations, Machine maintenance program, Training records and Production Records such as Daily production output reports, product inspection records, material in & out records in warehouse, machine and equipment maintenance records, etc.</p> <p>Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):</p> <p>Details: Production daily records, inspection records.</p> <ul style="list-style-type: none"> • A manual created by the factory which contained all required documents and all appropriate procedures for meeting the client's code of conduct and the legal requirements, however not all of these were implemented. <p>Any other comments: Nil</p>

Management Systems:	
A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: No fine was noted in the last 12 months.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Policies and procedures that exist help to reduce the risk of forced

	labour, child labour, discrimination, harassment & abuse.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Overtime was based on workers' free will; no child labour was hired due to strict recruitment procedure.
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: Training regarding to forced labour, child labour, discrimination, harassment & abuse were held regularly.
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: Per document review, relevant training records were provided and confirmed by workers during interview.
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: N/A
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: Ms. Du Xiuru/ Admin manager was responsible for HR department.
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: Ms. Du Xiuru/ Admin manager was responsible for implementation of the Code.
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The factory had established a policy to ensure that all worker information was confidential.
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 confidential policy was established in the factory.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Internal audit was held regularly.

<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: After risk assessment, a senior management meeting will be held and discussion on how to correct and avoid these issues happening again.</p>
<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: The factory had policy/code which required labour standards of its own suppliers.</p>
<p>Land rights</p>	
<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Lease contract was provided for review.</p>
<p>O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A O1: Please give details: Not applicable in China.</p>
<p>P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC: N/A</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: The factory paid the lease fee to the lessor.</p>
<p>R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: Not applicable Facility had no right of land acquisition in China.</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: There was no evidence of illegal appropriation of land for facility building or expansion of footprint.</p>

Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

1: Freely Chosen Employment

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

ETI

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

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

Current Systems and Evidence Examined

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

Current systems: There was no forced, boned or involuntary prison labor. According to interview with workers and management, overtime was voluntary and workers could choose work overtime or not independently.

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

Details:

Personnel files (all were checked)

- Resignation records
- Factory rules
- Employee handbook
- 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: There was no any restrictions on workers' freedom to terminate employment.</p>
<p>E: If any part of the business is UK based or registered there & has a</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

turnover over £36m, is there a published a 'modern day slavery statement?	<input checked="" type="checkbox"/> Not applicable E1: Please describe finding: N/A
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: No such evidence was noted.
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: All qualified suppliers need to meet with local law and client requirement, and factory had established a procedure to assess its supply chain yearly.
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: Related policy was established.

Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

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

Current systems:

The factory didn't hinder free association and bargaining via interview.

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

Details:

- Site policy on freedom of association
- Interview with workers
- Interview with managers

Any other comments: Nil

<p>A: What form of worker representation/union is there on site?</p>	<p><input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None</p>
<p>B: Is it a legal requirement to have a union?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>C: Is it a legal requirement to have a worker's committee?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Suggestion box 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>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>E1: Please give details: Training, communicating meeting, suggestion box and hotline were provided.</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>N/A</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>Worker committee of Shantou Europe-Pack Plastic Co., Ltd.</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>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>I: Were worker representatives freely elected?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>I1: Date of last election: December 29, 2020</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>K: Were worker representatives/union representatives interviewed?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>If Yes, please state how many: 2</p>	
<p>L: Please describe any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i></p>	<p>Date of last meeting: July 12, 2021 Topics covered: Health & safety issue notice such as hot weather, PPE wearing How minutes were communicated: 70 mins</p>	
<p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>If Yes, what percentage by trade Union/worker representation</p>	<p>M1: <u>0</u>% workers covered by Union CBA</p>	<p>M2: <u>0</u>% workers covered by worker rep CBA</p>
<p>M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <p>N/A</p>	

Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not Applicable

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

Current systems: The environment was well, the workshop was safe, the air was good and the drinking water was clean.

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

Details:

- Health and safety policy
- Health and safety manual
- Health and safety committee minutes
- Training records and certificates
- Fire equipment maintenance records
- Fire drill records
- Trained first aider register
- Accident reports
- Potable water testing certificates
- Interviews with H&S manager
- 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 workers?

- Yes
- No

A1: Please give details: The factory had established the health and safety procedure, and all procedures were shared with employees per training.

<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The manual included in the policy and procedure.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: No such structural additions were noted.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Visitors to the site were informed on H&S and were provided with personal protective equipment.</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: No medical room was provided in facility.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: Trained first aiders were available in factory.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: No transport was provided.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: provided storage.</p>
<p>I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: H&S Risk assessments were conducted regularly.</p>
<p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The site meeting its legal obligations on environmental requirements including required permits</p>
<p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: No banned chemical was used in factory.</p>

Non-compliance:

<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code:</p> <p>It was noted that 4 out of 4 employees in printing workshop on the 5th floor were not wearing mask and rubber gloves which factory provided</p> <p>Local law In accordance with Article 42 of Law of the People's Republic of China on Production Safety, business entities must provide their employees with labor protection products meeting the national or industry standards, and supervise and educate their employees on wearing or using such products in accordance with the rules of use.</p> <p>ETI requirement 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that necessary personal protective equipment are provided to relevant employees and measures are taken to ensure that employees use such personal protective equipment appropriately.</p>	<p>Objective evidence observed: Per factory tour</p> <p>Please refer to NC photo No. 1</p>
<p>2. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code:</p> <p>It was noted that 2 out of 2 flammable alcohol containers being used in the assembly workshop on the 3rd floor of the factory building were not posted with a safety label.</p> <p>Local law In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place: (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed.</p> <p>ETI requirement 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far</p>	<p>Objective evidence observed: Per factory tour</p> <p>Please refer to NC photo No. 2</p>

<p>as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that all hazardous chemicals stored or being used in the factory is posted with safety labels.</p>	
<p>3. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code:</p> <p>It was noted that the factory did not provide regular occupational health checks to employees who were in contact with noise and hazard material in the workshop</p> <p>Local law In accordance with Article 35 Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, for the laborers that are engaged in the operations contacting the harm of occupational diseases, the employing work unit shall organize the occupational health examination of the laborers before they take the posts, when they are at the posts and when they leave the posts, the employing work unit shall inform the laborers of the examination results. The employing work unit shall afford the expenses needed for the occupational health examination. The employing work unit may not assign the laborers that haven't gone through the pre-post occupational health examination to undertake the operations involving the harm of occupational diseases; may not assign the laborers that have occupational contraindications to undertake the operations that they shall avoid; the laborers that are found to have the health injuries related to their posts during the occupational health examination shall be transferred from their former posts and be settled appropriately; and the employing work unit may not cancel or terminate the labor contacts signed with the laborers that haven't gone through the occupational health examination before they leave their posts. The occupational health examination shall be undertaken by the medical health institutions which have obtained Practicing License of Medical Institution. Administrative Departments of Health should strengthen the regulation on occupational health checks. Specific administrative measures are established by Health Administration Department of the State Council.</p> <p>ETI requirement 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p>	<p>Objective evidence observed: Per document review</p>

<p>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that regular occupational health checks are provided to all employees contact with noise and hazard material.</p>	
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Observation:	
<p>Description of observation: None Observed</p>	<p>Objective evidence observed: Not Applicable</p>

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

4: Child Labour Shall Not Be Used

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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

Factory maintained all workers' ID card copies. According to the employees' ID numbers in the factory name list.

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

Details: ID copy and personnel files, factory policy, latest list of employees

Any other comments: Nil

A: Legal age of employment:	16 years old
B: Age of youngest worker found:	22 years old
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details N/A

Non-compliance:	
Description of non-compliance: None Observed	Objective evidence observed: Not Applicable

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable

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

5: Living Wages are Paid

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

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

ETI

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

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

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

Current Systems and Evidence Examined

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

Current systems:

The auditors randomly selected 10 wage and working hour samples from December 2020, 10 wage and working hour samples from June 2021, 10 wage and working hour samples from February 2021. Per payroll registers and employees & management interview, employees' wages were calculated by hourly rate and paid by cash before the end of next month. All sampled workers were paid at least RMB 10.34 per hour. All employees were paid 150% of normal wage for overtime worked on weekdays and 200% of normal wage for overtime worked on weekends.

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

Details:

Document review

- Worker interview
- Local and national laws
- Wages and benefits policy
- Local legal minimum wage documents
- Leave records
- Social insurance and payment receipts from the local labour department
- Labour contracts for all employees (to examine agreed wage rates)
- Resignation records
- Pay slips of all workers interviewed
- Hours records to check hourly rates and any overtime premiums

Any other comments: Nil

Non-compliance:

Description of non-compliance:

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

It was noted that the factory's social insurance coverage was insufficient. According to the social insurance payment receipt provided by factory management, it was noted that 35 out of 96 employees were provided with unemployment, maternity, pension, medical, incident insurance in July 2021. Remark: factory provided commercial insurance for 60 employees from July 27, 2021 to July 26, 2022.

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.

Local law: In accordance with Article 73 of the Labor Law of the People's Republic of China, employees shall, in accordance with the law, be entitled to social insurance benefits under the following circumstances: (1) retirements; (2) illness or injury; (3) disability caused by work-related injury or occupational disease; (4) unemployment; and (5) maternity.

The survivors of the insured labourers shall be entitled to subsidies for survivors in accordance with the law. The conditions and standards for labourers to enjoy social insurance benefits shall be stipulated by laws, rules and regulations. The social insurance amount that labourers and entitled to, must be timely paid in full amount.

Recommended Corrective Action: It is recommended that factory management adopt practices and controls to ensure that employees receive all of their statutory welfare entitlements.

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Objective evidence observed:

Per document review

Observation:

Description of observation:

None Observed

Objective evidence observed:

Not Applicable

Good Examples observed:

Description of Good Example (GE):

None Observed

Objective Evidence Observed:

Not Applicable

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 8 hours a day and 40 hours a week	A1: 8 hours a day and 40 hours a week	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 3 hours per day; 36 hours per month	B1: 2 hours per day; 86 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: RMB1550/month or RMB8.91/hour since July 1, 2018	C1: RMB10.34 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: Not less than 150% of normal wage for weekday overtime working Not less than 200% of normal wage for rest day overtime working Not less than 300% of normal wage for holiday overtime working	D1: 150% of normal wage for weekday overtime working; 200% of normal wage for rest day overtime working. No overtime on holiday was noted during the audit.	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)	
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If No , why not?	N/A
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	10 wage and working hour samples from December 2020, 10 wage and working hour samples from June 2021, 10 wage and working hour samples from February 2021

<p>C: Are there different legal minimum wage grades? If Yes, please specify all.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>C: Are there different legal minimum wage grades? If Yes, please specify all.</p>	
<p>D: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	<p>D: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	
<p>E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	<p>E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> RMB 10.34</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: Position bonus of RMB500-850/month <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i></p>		
<p>H: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>Social insurance and individual income tax</p>		
<p>I: Have these deductions been made?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>I1: Please list all deductions that have been made.</p>	<p>1. Social insurance Please describe: Some employees participated in social insurance.</p>
		<p>I2: Please list all deductions that have not been made.</p>	<p>1. Individual income tax 2. Social insurance Please describe: The employee income did not reach a tax threshold. And some employees did not participate in social insurance.</p>
<p>J: Were appropriate records available to verify hours of work and wages?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<p>K: Were any inconsistencies found? (if yes describe nature)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>K: Were any inconsistencies found? (if yes describe nature)</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 L1: Please give details: All time would be included. E.g. meeting time, fire drill rehearsal time, etc.</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 M1: Please specify amount/time: N/A</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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: The factory did not have periodic reviews of wages but employees can dominate their wages freely.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Per document review, equal wages are being 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 Q1: If other, please explain:</p>

6: Working Hours are not Excessive

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

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

ETI

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

Factory adopted fingerprint identification attendance record system to record workers' working time. Per factory management interview and employees' interview, there was one shift for all production employees (except injection workshop): 08:00-12:00, 13:30-17:30; As for injection workshop: 17:30-23:30, 00:30-04:30, Monday to Friday. Overtime was voluntary. The auditor reviewed the payroll and attendance records of 10 wage and working hour samples from December 2020, 10 wage and working hour samples from June 2021, 10 wage and working hour samples from February 2021

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

Details:

- Employee interview
- Management interview
- Local and national laws

- Factory policy on working hours
- Time cards
- Computerized time logging system
- Sample pay slips with recorded hours all workers interviewed
- Workers' contracts
- Hours records of 12 months to establish highest and lowest hours over all employees

Any other comments: Nil

Non-compliance:

Description of non-compliance:

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

It was noted that 20 out of 30 sample population employees worked in excess of the statutory overtime hour limits.

A review of 30 sample population employees' time records (10 wage and working hour samples from December 2020, 10 wage and working hour samples from June 2021, 10 wage and working hour samples from February 2021) yielded the following:

- 9 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 62 to 82 hours) in June 2021, which was not in compliance with the legal requirement;
- 2 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 54 hours) in February 2021, which was not in compliance with the legal requirement;
- 9 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 66 to 86 hours) in December 2020, which was not in compliance with the legal requirement.

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

Local law: In accordance with Article 41 of the Labor Law of the PRC, after consultation with the trade union and employees, the employer may extend working hours due to its production or business needs, but the extended working hours shall not generally exceed one hour a day; in special circumstances that require an extension of working hours, the extended working hours shall not exceed 3 hours a day and 36 hours a month on condition that the health of employees is guaranteed.

Recommended Corrective Action: It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.

Objective evidence observed:

Per document review

Observation:	
Description of observation: None Observed	Objective evidence observed: Not Applicable.

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed: Not Applicable.

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: face identification attendance recording system
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	D1: If YES, please complete as appropriate: <input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other
	If "Other", Please define: N/A
E. Do any standard/contracted working hours defined in contracts/employment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes , please detail hours, %, types of workers affected and frequency Please give details:

agreements exceed 48 hours per week?		
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Maximum number of days worked without a day off (in sample):	
	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: June 2021: 2 hours per day, 16 hours per week, 82 hours per month; February 2021: 2 hours per day, 16 hours per week, 54 hours per month; December 2020: 2 hour per day, 16 hours per week, 86 hours per month.	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	___30___%	
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: Worker interviews

Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<i>M1: Please give details of normal day overtime premium as a % of standard wages:</i> Not less than 150% of normal wage for weekday overtime working Not less than 200% of normal wage for rest day overtime working Not less than 300% of normal wage for holiday overtime working
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>N1: If yes, please describe % of workers & frequency:</i> 100% of workers were paid overtime wage by monthly.
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other N/A	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	N/A	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	N/A	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details:	
R: If sufficient workers cannot be hired, are new working time arrangements explored	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

to ensure that overtime is the exception rather than the rule.	
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7: No Discrimination is Practiced

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

Based on the review of factory regulations and employee private interview, no discrimination was noted regarding hiring, job assignment, wages, bonus, allowance, promotion, discipline, work assignment, gender, age and nationality. All sampled employees interviewed stated that they were treated fairly and compensated the same wage for the same job.

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

Details:

- The hiring and termination procedure, leave application records and employee handbook.
- Payrolls
- Attendance records
- Termination records
- Training records

Any other comments: Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: <u>70</u> % A2: Female <u>30</u> %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	20
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: N/A

Professional Development

A: What type of training and development are available for workers?	Professional skill 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:	
Description of non-compliance: None observed	Objective evidence observed: Not applicable

Observation:	
Description of observation: None observed	Objective evidence observed: Not applicable

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

8: Regular Employment Is Provided

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ETI

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

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

Additional Elements: Responsible Recruitment

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

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

8.5 Employment agencies must only supply workers registered with them.

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

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

Current Systems and Evidence Examined

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

Current systems:

1. Work performed was on the basis of recognized employment relationship established through national law and practice.
2. The factory signed labor contracts with employees within 30 days after employment.

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

Details:

- Document review (i.e. factory policy and labour contract)
- The hiring and termination practises (not formalised)
- Personal files
- Payroll records were provided for review.
- Contracts

Any other comments: Nil

Non-compliance:	
Description of non-compliance: None Observed.	Objective evidence observed: Not Applicable.

Observation:	
Description of observation: None Observed.	Objective evidence observed: Not Applicable.

Good Examples observed:	
Description of Good Example (GE): None Observed.	Objective Evidence Observed: Not Applicable.

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?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:

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

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>	
A: Type of work undertaken by migrant workers:	All types of workers.
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: 0 B2: Total number of (outside of local country) recruitment agencies used: 0
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: N/A C2: Observations:
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: N/A

NON-EMPLOYEE WORKERS

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

Agency Workers (if applicable)	
<i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: N/A
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No 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 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 E1: Please give details: N/A

Contractors:	
<i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details:
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 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

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

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

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

Note to auditor on homeworking:

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

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

Current Systems and Evidence Examined

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

Current systems:

Per facility tour and management interview, no subcontracted process or homeworking was found in the factory.

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

Details:

Factory Tour

-Management interview

-Worker interview

-Materials in/out records

Any other comments: Nil

Non-compliance:

Description of non-compliance:

None Observed

Objective evidence observed:

Not Applicable

Observation:

Description of observation:

None Observed

Objective evidence observed:

Not Applicable

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

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:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

<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: Based on document review and management interview, it was noted all employees would freely express their opinion to the factory management. During employee interview, sampled employees stated that they were comfortable to express their viewpoints and most of their concerns were solved.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>The factory had established an internal open channel such as suggestion box for reporting any violations of Labour standards and H&S or any other grievances.</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 type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Suggestion box</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</p>
<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details</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 E1: If yes, please give details</p>
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Current Systems and Evidence Examined

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

Current systems:
 Based on documents review and employee private interview, no harassment or physical abuses was noted in the factory and the factory established a written policy to prohibit harassment, abuse and corporal punishment, which stated that the factory prohibited the management and security guards to harass or abuse the employees and harassment of any form and incidence of harassment or abuse could be reported to the management directly or through the suggestion boxes.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):
 Details:
 -The relevant policy on prevention of harassment and abuse
 -Internal grievance procedure documentation.
 -Training records

Any other comments: Nil

Non-compliance:	
<p>Description of non-compliance:</p> <p>None Observed.</p>	<p>Objective evidence observed:</p> <p>Not Applicable.</p>

Observation:	
<p>Description of observation:</p> <p>None Observed.</p>	<p>Objective evidence observed:</p> <p>Not Applicable.</p>

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

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

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

Additional Elements

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

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

Current Systems and Evidence Examined

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

Current systems:

Only workers with a legal right to work shall be employed or used by the factory. There were no agency staffs, employment agencies, no immigrant workers.

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

Details:

- Hiring procedure
- Personnel files
- Worker handbook

Any other comments: Nil

Non-compliance:

Description of non-compliance:

None Observed.

Objective evidence observed:

Not Applicable.

Observation:

Description of observation:

None Observed.

Objective evidence observed:

Not Applicable.

Good examples observed:

Description of Good Example (GE):

None Observed.

Objective Evidence Observed:

Not Applicable.

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

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

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

B.4. Compliance Requirements

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

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

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

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

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

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

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

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

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

B4. Guidance for Observations

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

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

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

Current Systems and Evidence Examined

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

Current systems: The environment policy and procedure to ensure that meeting applicable environmental laws was established in the factory. Facility has made an environment policy and conducted regular risk assessment. The facility has conducted an aspect/impact assessment to identify the impact of production activities on environment. The facility has designated person Ms. Du Xiuru/ Admin Manager to monitor the environmental performance.

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

Details:

- Legally required environmental documents were provided for review.
- Environmental policy
- Worker and management interview.

- Site tour
- SAQ

Any other comments: Nil

Non-compliance:

Description of non-compliance:

None observed

Objective evidence observed:

Not applicable

Observation:

Description of observation:

None Observed.

Objective evidence observed:

Not Applicable.

Good examples observed:

Description of Good Example (GE):

None Observed.

Objective evidence observed:

Not Applicable.

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Ms. Du Xiuru/ Admin 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: Factory had evaluated the environmental impact and provided the assessment report for review.
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: Nil
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? Factory had an environment policy that required detailed environmental regulations and it was publicly available.
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 policy addresses the key impacts on waste, and factory contracted with qualified hazardous waste contractor and hazardous waste was disposed properly.
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: Nil
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 permits been 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: Factory kept chemicals in-out records.
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: No banned chemical was used by the factory.

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: Factory made a reduction target to reduce water and electricity consumption.
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: Please give details: Nil
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: Factory kept the water and electricity consumption records.
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 has checked business partners and requiring appropriate permits and licences.

Usage/Discharge analysis

Criteria	Previous year: Please state period: _Jan 2020 to Dec 2020_	Current Year: Please state period: _Jan 2021 to August 2021_
Electricity Usage: Kw/hrs	483807 kw/hrs	360269 kw/hrs
Renewable Energy Usage: Kw/hrs	None	None
Gas Usage: Kw/hrs	None	None
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: Please list all sources e.g. lake, river, and local water authority.	<ul style="list-style-type: none"> Local municipal corporation water supply 	<ul style="list-style-type: none"> Local municipal corporation water supply
Water Volume Used: (m ³)	8849 m ³	6203 m ³
Water Discharged: Please list all receiving waters/recipients.	<ul style="list-style-type: none"> Sewage pipe 	<ul style="list-style-type: none"> Sewage pipe
Water Volume Discharged: (m ³)	1823 m ³	980 m ³
Water Volume Recycled: (m ³)	N/A	N/A

Total waste Produced <i>(please state units)</i>	328 kg	189 kg
Total hazardous waste Produced: <i>(please state units)</i>	328 kg	189 kg
Waste to Recycling: <i>(please state units)</i>	88 kg	49 kg
Waste to Landfill: <i>(please state units)</i>	60KG	19KG
Waste to other: <i>(please give details and state units)</i>	Hazardous waste contractor	Hazardous waste contractor
Total Product Produced <i>(please state units)</i>	2000000pcs	1000000pcs

10C: Business Ethics – 4-Pillar Audit

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

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

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

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

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

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

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

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

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

10C. Guidance for Observations

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

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

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

Current Systems and Evidence Examined

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

Current Systems and Evidence Examined

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

Current systems: Facility had made an anti-bribery and ethics policy. Facility provided training on anti-bribery to the staff having job profile related to the area of ethical business practice. Facility also conducted business ethically without any use of bribery, corruption or any other type of fraudulent business practices.

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

Details: Anti-bribery policy, training records, appointment letter for the responsible person, management interview.

Any other comments: Nil

Non-compliance:

Description of non-compliance:

None Observed

Objective evidence observed:

Not Applicable

Observation:

Description of observation:

None Observed

Objective evidence observed:

Not Applicable

Good Examples observed:

Description of Good Example (GE):

None Observed

Objective evidence observed:

Not Applicable

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?

- Internal Policy
- Policy for third parties including suppliers

A1: Please give details: Factory made an anti-bribery and ethics policy. The policy required that all facility employees and business partners must conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?

- Yes
- No

B1: Please give details: The facility provided the training on business ethics issues to relevant personnel such as sales, logistics.

C: Is the policy updated on a regular (as needed) basis?

- Yes
- No

C1: Please give details: The policy was updated on a regular (as needed) basis whenever they had new business partners.

D: Does the site require third parties including suppliers to complete their own business ethics training

- Yes
- No

D1: Please give details: Factory made an anti-bribery and ethics policy. The policy required that all facility employees and business partners must conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

Other findings

Other Findings Outside the Scope of the Code

None Observed

Community Benefits

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

None Observed

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

<p>Factory name</p>	<p>Factory Gate</p>	<p>Production building</p>
<p>Fire hydrant</p>	<p>Fire extinguishers</p>	<p>Toilet</p>
<p>Drinking water</p>	<p>Exit sign & emergency light</p>	<p>Evacuation plan</p>

<p>Dormitory building</p>	<p>Time recording system</p>	<p>First aid kit</p>
<p>Injection workshop</p>	<p>Printing workshop</p>	<p>Assembly and packing workshop</p>
<p>Canteen</p>	<p>NC photo No.1 Worker did not wear PPE</p>	<p>NC photo No.2 No safety label</p>



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

[Click here for Supplier \(B\) members:](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgLY_2brg_3d_3d)

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