




# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details			
Sedex Company Reference: (only available on Sedex System)	ZC: Factory was non-member of Sedex	Sedex Site Reference: (only available on Sedex System)	ZS: Factory was non-member of Sedex
Business name (Company name):	Jution Silicone & Rubber (Dongguan) Co., Ltd		
Site name:	Jution Silicone & Rubber (Dongguan) Co., Ltd 东莞市众盛硅橡胶制品有限公司		
Site address: (Please include full address)	No.4 Building, Zhengkeng Industrial Area, Dongkeng Town, Dongguan, Guangdong 东莞市东坑镇初坑村正坑工业区第四幢	Country:	China
Site contact and job title:	Ms. Yan Xiaoli/ Manager		
Site phone:	86-13536319135	Site e-mail:	2355675168@qq.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	April 21, 2022		

<b>Audit Company Name &amp; Logo:</b>  Bureau Veritas CPS	<b>Report Owner (payer):</b> YOUTH INC
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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](mailto: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):

1. 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.
2. The audit type in Sedex Advance is Initial audit but not periodic audit as mentioned in the audit report because the site is a non-member of Sedex.

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

Lead auditor: Edward Huang

APSCA number: 21702227

Lead auditor APSCA status: In good standing

Team auditor: N/A

APSCA number: N/A

Interviewers: Edward Huang

APSCA number: 21702227

Report writer: Edward Huang

Report reviewer: Veronica Yin

Date of declaration: April 21, 2022

*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 (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.	Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)	
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE		
0A <a href="#">Universal Rights covering UNGP</a>			<input type="checkbox"/>	<input type="checkbox"/>		0	0	Nil	
0B <a href="#">Management systems and code implementation</a>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil	
1. <a href="#">Freely chosen Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil	
2. <a href="#">Freedom of Association</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil	
3. <a href="#">Safety and Hygienic Conditions</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	2	0	0	NC: No use PPE No occupation check	
4. <a href="#">Child Labour</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil	
5. <a href="#">Living Wages and Benefits</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	Insufficient coverage of social insurance	
6. <a href="#">Working Hours</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1	0	0	Overtime exceeded law limits	
7. <a href="#">Discrimination</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	Nil	
8. <a href="#">Regular Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil	
8A. <a href="#">Sub-Contracting and</a>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil	

	<u>Homeworking</u>								
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Nil
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	N/A
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	N/A

#### General observations and summary of the site:

The factory was established on November 22, 2010 and specialized in the manufacture of Silicone & Rubber. The factory consisted of one 3-storey production and one 1-storey warehouse buildings. No canteen and dormitory was provided for employees. The total land area occupied by the whole facility is about 900 square meters.

The audit was performed over 1 day by 1 auditor, and included interviews and records inspection of 10 workers. Workers interviewed included both male and female. All workers were favourable towards the company. They enjoyed the work and stated it was a friendly environment. Pay is always accurate and is paid on time; no issues with the pay slips were noted. Also, they stated that they felt comfortable in approaching with any concerns they have.

There were several non-compliances found in the audit as per the table, specific examples include, Safety and Hygienic Conditions, Living Wages and Benefits, Working Hours.

*\*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:	Jution Silicone & Rubber (Dongguan) Co., Ltd																									
B: Site name:	Jution Silicone & Rubber (Dongguan) Co., Ltd																									
C: GPS location: (If available)	GPS Address: No.4 Building, Zhengkeng Industrial Area, Dongkeng Town, Dongguan, Guangdong	Latitude: N22°59'11" Longitude: E 113°55'14"																								
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business licence number: 91441900564565672N (Valid from November 22, 2010 to long term)																									
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Products: Silicone & Rubber Activity at site: sharpening, painting, assembly and packing																									
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The factory was located at No.4 Building, Zhengkeng Industrial Area, Dongkeng Town, Dongguan, Guangdong</p> <p>The factory consisted of one 3-storey production and one 1-storey warehouse buildings. No canteen and dormitory was provided for employees. The total land area occupied by the whole facility is about 900 square meters.</p> <p>Remark: The company was not in a shared multi-storey building.</p> <table border="1"> <thead> <tr> <th>Production Building</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>workshop</td> <td>Nil</td> </tr> <tr> <td>Floor 2</td> <td>workshop</td> <td>Nil</td> </tr> <tr> <td>Floor 3</td> <td>Office</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Warehouse Building</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Warehouse</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> </tbody> </table> <p>F1: Visible structural integrity issues (large cracks) observed?  <input type="checkbox"/> Yes</p>		Production Building	Description	Remark, if any	Floor 1	workshop	Nil	Floor 2	workshop	Nil	Floor 3	Office	Nil	Is this a shared building?	No	Nil	Warehouse Building	Description	Remark, if any	Floor 1	Warehouse	Nil	Is this a shared building?	No	Nil
Production Building	Description	Remark, if any																								
Floor 1	workshop	Nil																								
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Is this a shared building?	No	Nil																								
Warehouse Building	Description	Remark, if any																								
Floor 1	Warehouse	Nil																								
Is this a shared building?	No	Nil																								



	<input checked="" type="checkbox"/> No  F2: Please give details: During the factory tour, auditor noted all buildings were kept integrated. No concerns about the structural integrity of the facility were noted.  F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  F4: Please give details: The factory did not have a structural engineer evaluation, they maintenance by a designated person regularly. No concerns about the structural integrity of the facility were noted.
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)	Not obvious
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	Products: Silicone & Rubber Process: sharpening, painting, assembly and packing Main machines: sharpening machines 1 packing line
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % 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

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 8:00 A2: Day 1 Time out: 17:00	A3: Day 2 Time in: A4: Day 2 Time out:	A5: Day 3 Time in: A6: Day 3 Time out:
B: Number of auditor days used:	1 auditor x 1 day		
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not factory was non-member of Sedex		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ms. Yan Xiaoli, 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:	March 17, 2011		
J: Previous audit type:	N/A as previous report was not provided.		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	N/A		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	No union was established in the factory		

## Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	4	0	0	44	0	0	0	48
Worker numbers – female	6	0	0	39	0	0	0	45
Total	10	0	0	83	0	0	0	93
Number of Workers interviewed – male	1	0	0	4	0	0	0	5
Number of Workers interviewed – female	1	0	0	4	0	0	0	5
Total – interviewed sample size	2	0	0	8	0	0	0	10



A: Nationality of Management	China	
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>	Nationalities: B1: Nationality 1: China B2: Nationality 2: ___NA___ B3: Nationality 3: ___NA___	Was the list completed during peak season? <input type="checkbox"/> Yes <input type="checkbox"/> No N/A, no peak season  If no, please describe how this may vary during peak periods:
C: Please provide more information for the three most common nationalities.	C: approx % total workforce: Nationality 1 ___100%___ C1: approx % total workforce: Nationality 2 ___NA___ C2: approx % total workforce: Nationality 3 ___NA___	
D: Worker remuneration (management information)	D: ___0___% workers on piece rate D1: ___100___% hourly paid workers D2: ___% salaried workers  Payment cycle: D3: ___0___% daily paid D4: ___0___% weekly paid D5: ___100___% monthly paid D6: ___0___% other D7: If other, please give details	



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: (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)	1 group of 4	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 3	D2: Female: 3
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment	<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?	Nothing to report	
I: What did the workers like the most about working at this site?	Wages were paid on time, managements were polite to them	
J: Any additional comment(s) regarding interviews:	Nothing to report	
K: Attitude of workers to hours worked:	Voluntary to work overtime	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details:		
M: Attitude of workers: (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		

10 workers were interviewed. In the interview process, they were frank; no hint or coaching by management was noted. The workers' attitudes to factory management were favorable. They were satisfied with the working condition and the management's behaviors. No negative information was raised.

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

Per interview with workers, it was noted that they were favourable with the factory management and factory environment. No negative information was raised.

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 with management members and workers were conducted as scheduled in the audit programs, a full audit was finished under the co-operation of the factory representatives. During the factory tour, management allowed auditor accessed all section of factory. Factory management also allowed auditor to select the samples 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:

The factory already establishes social compliance policy covering human rights and communicates this policy to all employees by training.

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

Details:

1. Management interview
2. Training records
3. Worker interview
4. Social compliance procedures such as recruitment, reward, disciplinary, wage, hour, benefit etc., social compliance internal audit, designated personnel for social compliance, business ethics procedures/policies of the factory etc.

Any other comments:

Nil

A: Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Policy on respecting human rights was established.
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Ms. Yu Jie Job title: Manager
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: Transparent system was in place for confidentially reporting related issue.
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Privacy procedure was in place

Findings		
<b>Finding: Observation</b> <input type="checkbox"/> <b>Company NC</b> <input type="checkbox"/> <b>Description of observation:</b>  None observed		<b>Objective evidence observed:</b>  NA

Good examples observed:	
<b>Description of Good Example (GE):</b>  None observed	<b>Objective Evidence Observed:</b>  NA

## 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: __10__ %	A2: This year __8__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 <sup>st</sup> day of 90 day period + number of employees on the last day of the 90 day period) / 2]	8%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 <sup>st</sup> day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: __0__ %	C2: This year __0__ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 <sup>st</sup> of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	0%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Accident would be recorded if occurred.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: Number: 0	F2: This year: Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 0	H2: This year: 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__% workers	I2: 12 months __0__% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months __0__% workers	J2: 12 months __0__% workers

## 0B: Management system and Code Implementation

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

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
- 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.4 Suppliers are expected to communicate this Code to all employees.
- 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

### Current Systems and Evidence Examined

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

#### Current systems:

The factory communicates this Code to all employees by training as confirmed by training records and worker interviews.

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

Details:

1. Management interview
2. Training records
3. Worker interview
4. Social compliance procedures such as recruitment, reward, disciplinary, wage, hour, benefit etc., social compliance internal audit, designated personnel for social compliance, business ethics procedures/policies of the factory etc.

Any other comments:

Nil

### Management Systems:

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

☐ Yes

☒ No

A1: Please give details: No any fine/prosecution was found.

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

☒ Yes

☐ 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.

The relevant policy existed and aimed to control to reduce the risk.

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 worker 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: NA
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. Yu Jie, Manager
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Ms. Yu Jie, Manager
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The factory had established a policy to ensure that all worker information is 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: Only assigned responsible can have access to confidential information.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Risk assessment was conducted to evaluate policy and procedure effectiveness.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1 Please give details: After risk assessment, a senior management meeting will be held and discussed how to correct and avoid these issues happened again.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility has a policy/code which require labour standards of its own suppliers.

Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: the factory had provided lease contract for review.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A O1: Please give details: Not applicable in China.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC: N/A
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: The factory paid the lease fee to the lessor monthly.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA R1: Please give details: Facility had no right of land acquisition in China.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: There was no evidence of illegal appropriation of land for facility building or expansion of footprint.

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code: None Observed.	<input type="checkbox"/> NC against Local Law <b>Objective evidence observed:</b> Not Applicable.

Observation:	
<b>Description of observation:</b> None Observed.	<b>Objective evidence observed:</b> 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:

Based on documents review, management and employee private interviews, no forced, bonded or involuntary prison labor was noted and all sampled employees were not required to lodge "deposits" or their identity cards and were free to leave or resign after reasonable notice. The factory did not detain any original documents such as ID Cards or Educational Certificates etc.

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

1. Document review, such as free chosen employment procedure, forced labour, bonder or involuntary labour forbidden recruit procedures, free overtime procedure, free movement procedure etc.
2. Employee interview
3. Training records

Any other comments: Nil

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: Terminate employees can leave the factory freely and not be restricted.
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable

published a 'modern day slavery statement'?	E1: Please describe finding: NA
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:
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: Factory forbade its supply chain involving in any activity of forced / trafficked / bonded labour
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: Factory would terminate corporation with its supply chain if any forced / trafficked / bonded labour issue noted.

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

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

Good Examples observed:	
<b>Description of Good Example (GE):</b> Nothing to report	<b>Objective evidence observed:</b> 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:

Based on management and employee private interview, workers can raise their concerns through the telephone, suggestion box, meeting and their team leader or above. Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace. Workers without distinction, have the right to join and select workers committee representation.

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

1. Management interview
2. Worker interview
3. Suggestions from the suggestion box and actions taken
4. Document review such as worker committee related procedure, worker committee selection records, worker committee meeting records etc.

Any other comments: Nil

A: What form of worker representation/union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Is there any other form of effective worker/management communication channel? (Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Suggestion box, telephone

than union/worker committee e.g. H&S, sexual harassment)	D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Factory provide standard to suppliers for it.	
F: Name of union and union representative, if applicable:	N/A	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Yes	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Ms. Huang Chunxiang, Ms. Deng Guixia
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: January 8, 2022
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , please state how many: 1	
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>	The lasting meeting held on February 23, 2022 and the topic was following: 1. arrange outside team building activities 2. re-post evacuation plan that miss in workshop	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A	
If <b>Yes</b> , what percentage by trade Union/worker representation	M1: _N/A_% workers covered by Union CBA	M2: _N/A_% workers covered by worker rep CBA
M3: If <b>Yes</b> , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A	

### Non-compliance:

#### Description of non-compliance:

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

None Observed.

#### Objective evidence observed:

Not Applicable.

### Observation:

#### Description of observation:

None observed

#### Objective evidence observed:

NA

### Good Examples observed:

#### Description of Good Example (GE):

None observed

#### Objective Evidence Observed:

NA

### 3: Working Conditions are Safe and Hygienic

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#### ETI

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

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

#### Current Systems and Evidence Examined

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

#### Current systems:

The factory was well ventilated.

The factory maintained a comfortable temperature throughout work floors.

Sufficient first aid kits stocked with necessary supplies are provided in workshops.

Drinkable water was available in workshops.

As evidenced by site tour, document checks and worker/mgmt. interviews.

Fire drill records were provided for review.

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

1. Factory tour
2. Document review such as health and safety procedure, o-chart of safety committee, safety procedures, emergency preparedness, safety training record, first aid responder certificates, fire drill records, fire acceptance check report, inspection for completed building construction projects etc.
3. Worker interview
4. Management interview

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: Safety policies and procedures were established in worker's manual and factory had provided training for employees regularly.

B: Are the policies included in workers' manuals?

☒ Yes

☐ No

	B1: Please give details: It was included in worker's manual. E.g. EHS training meeting were provide to workers every quarter of a year.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: NA
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: PPE was provided if needed.
E: Is a medical room or medical facility provided for workers?  If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: Factory had provided the first aid kit in every workshop for employees.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: No doctor or nurse. But the trained first aiders in the factory.
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: No worker transport was provided.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: N/A, no dormitory provided
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: List of Potential risk for each position, potential risk for young worker and pregnant woman.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: All legal permits were provided.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: No banned chemical was used in factory.

### Non-compliance:



<p><b>1. Description of non-compliance:</b>  <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 10 employees in the sharpening workshop on the 1<sup>st</sup> floor of the production building did not wear ear plug which factory provided.</p> <p><b>Legal Requirement:</b> 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><b>ETI Requirement:</b> 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><b>Recommended Corrective Action:</b> It is recommended that management adopt practices and controls to ensure that necessary personal protective equipments are provided to relevant employees and measures are taken to ensure that employees use such personal protective equipment appropriately.</p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i>  Per factory tour. Please refer to NC photo No 1.</p>
<p><b>2. Description of non-compliance:</b>  <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 in workshop who were in contact with hazardous materials and noise.</p> <p><b>Legal Requirement:</b> 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.</p> <p>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 contracts signed with the laborers that haven't gone through the occupational health examination before they leave their posts.</p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i>  Per document review</p>

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.

**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.

**Recommended Corrective Action:** It is recommended that management adopt practices and controls to ensure that regular occupational health checks are provided to all employees handling hazardous materials and noise.

#### Observation:

##### Description of observation:

None observed

##### Objective evidence observed:

NA

#### Good Examples observed:

##### Description of Good Example (GE):

None observed

##### Objective Evidence Observed:

NA

#### 4: Child Labour Shall Not Be Used

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##### ETI

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

#### Current Systems and Evidence Examined

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

##### Current systems:

1. The factory establishes a policy that will never employ and use any child labor under the age of 16 years old.
2. The factory will verify all workers' original ID cards at the time of recruitment and keep the photocopies of workers' ID cards in the personnel files.
3. Sufficient numbers of employees' personal files were provided for review. Each employee file includes a bio-data sheet, a recent photo and the age documentation, which is in the form of photocopied national identification card. The card lists the employee's name, household address and the date of birth.
- 4 The youngest employee in factory was 19 years old.

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

1. Document review such as recruiting procedure, personnel files, ID copies, worker handbook etc.
2. Management interview
3. Employee interview

Any other comments: Nil

A: Legal age of employment:	16 years old
B: Age of youngest worker found:	19 years old
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? <a href="#">(Go to clause 3 – Health and Safety)</a>	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: If yes, give details NA

Non-compliance:	
<b>Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code:  None Observed.	<b>Objective evidence observed:</b>  Not Applicable.

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

Good Examples observed:	
<b>Description of Good Example (GE):</b>  None Observed.	<b>Objective evidence observed:</b> 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:

Reviewing of 30 sample population employees' time records (10 samples from September 2021, 10 samples from November 2021 and 10 samples from February 2022). It was noted that all sampled employees were paid RMB 13 per hour which met the local minimum wage standard of RMB 9.89 per hour. All workers were paid by cash at 30th of each month for previous month wage.

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

Document review

- 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 employees
- Resignation records
- Pay slips of all workers interviewed
- Hours records to check hourly rates and any overtime premiums

Employee interview

Management interview

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 only 45 out of 93 employees were provided with pension, unemployment insurance, 46 out of 93 employees were provided with accident, maternity insurance, 48 out of 93 employees were provided with medical insurance in March 2022.

Remark: the factory had provide commercial insurance for 37 employees, valid from May 25, 2021 to May 24, 2022.

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

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

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

#### 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 (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	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 type="checkbox"/> No NA
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 3 hours per day; 36 hours per month	B1: 1 hours per day; 54 hours per month; 13 hours per week	B2: <input type="checkbox"/> Yes <input type="checkbox"/> No NA
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: RMB 8.91 per hour since July 1, 2018, RMB 9.89 per hour since December 2021	C1: RMB 13 per hour	C2: <input type="checkbox"/> Yes <input type="checkbox"/> No NA
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	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 work on holidays working	D2: <input type="checkbox"/> Yes <input type="checkbox"/> No NA



Wages analysis: <a href="#">(Click here to return to Key Information)</a>			
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
A1: If <b>No</b> , why not?	NA		
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	10 samples from September 2021 10 samples from November 2021 10 samples from current paid month February 2022		
C: Are there different legal minimum wage grades? If <b>Yes</b> , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	C1: If <b>Yes</b> , please give details:	
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	D1: If <b>No</b> , please give details:	
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i>  RMB 13 per hour	
F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: __100__% of workforce earning minimum wage F3: ____% of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i>  Position bonus		
H: What deductions are required by law e.g. social insurance? Please state all types:	Social insurance, tax		
I: Have these deductions been made?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	I1: Please list all deductions that <b>have</b> been made.  I2: Please list all deductions that <b>have not</b> been made.	1. Tax 2. Social insurance  Please describe:  1. Tax 2. Social insurance  Please describe:

			1.The factory paid the social insurance fee for employees 2. Employees wage did not reach the tax threshold.
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: Employees worked for 8 normal hours per day.		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No NA M1: Please specify amount/time: all sampled employees were paid at least RMB 13 per hour during 3 tested months, which met the local minimum wage standard.		
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: NA		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: The factory did not review wages periodically but employees can dominate their wages freely.		
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Same position were paid at same wage		
Q: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:		

## 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:

A review of 30 sample population employees' time records (10 samples from September 2021, 10 samples from November 2021 and 10 samples from February 2022). It was noted that the maximum overtime worked on week days were 1 hours, the maximum weekly working hours were 54 hours. The maximum monthly overtime hours were 53 hours among testing period and the longest consecutive working day were 6 days.

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

1. Document review
  - Local and national laws
  - Working hour policy
  - Time records
  - Leave records
  - Sample pay slips with recorded hours all workers interviewed
  - Labour contracts for employees

- Production records to cross check hours

2. Employee interview
3. Management interview

Any other comments:

Nil

### Non-compliance:

#### 1. Description of non-compliance:

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

It was noted that 30 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 samples from September 2021, 10 samples from November 2021 and 10 samples from February 2022), yielded the following:

10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 39 hours) in February 2022, which was not in compliance with the legal requirement;

10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 54 hours) in November 2021, which was not in compliance with the legal requirement;

10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 53 hours) in September 2021, which was not in compliance with the legal requirement.

**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.

**ETI Requirement:** 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 labor standards.

**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:

(where relevant please add photo numbers)  
Per working hour testing

### 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: IC Card system

B: Is sample size same as in wages section?

☒ Yes  
☐ No

B1: If no, please give details

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

☒ Yes  
☐ No

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

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

☐ Yes  
☒ No

D1: If YES, please complete as appropriate:

☐ 0 hrs

☐ Part time

☐ Variable hrs

☐ Other

If "Other", Please define:

N/A

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

☐ Yes  
☒ No

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

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

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

F3: Is this allowed by local law?

☒ Yes  
☐ No

	Maximum number of days worked without a day off (in sample):	
	6	
<b>Standard/Contracted Hours worked</b>		
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
<b>Overtime Hours worked</b>		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:  The maximum overtime hours was 1 hours per day, 13 hours per week and 39 hours per month in February 2022. The maximum overtime hours was 1 hours per day, 13 hours per week and 54 hours per month in November 2021. The maximum overtime hours was 1 hours per day, 13 hours per week and 53 hours per month in September 2021.	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	_90_%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:  Per employee's interview, they confirmed that they could choose to overtime work or not by themselves.
<b>Overtime Premiums</b>		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of <b>standard</b> wages:  150%, 200% of normal wage for overtime working on normal workdays, rest days respectively, no overtime work on holidays.

N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency:  150%, 200% of normal wage for overtime working on normal workdays, rest days respectively for all overtime worked workers on 30th of every month No overtime work on holidays. 100% and 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"/> <b>Overtime is voluntary</b> <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) N/A total hours per week not more than 60 hours	
	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 to ensure that overtime is the exception rather than the rule.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	



## 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:

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):

1. Factory tour
2. Document review such as recruit procedure, termination procedure, payroll records, training records etc.
3. Management interview
4. Employee interview

Any other comments: Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: _75_ % A2: Female _25_ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	#: 1 employee worked as supervisor
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. No discrimination was observed



### 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?

☒ Yes  
☐ No

If no, please give details:

### Non-compliance:

#### Description of non-compliance:

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

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

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

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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 is on the basis of recognized employment relationship established through national law and practice.
2. The factory signs labor contracts with employees within 30 days after employment.
3. There is no homeworking from the site.
4. No agency worker in the factory.

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

1. Document review such as local and national laws, labor contract, recruitment policy etc.
2. Worker interview
3. Management interview
4. Employee interview

Any other comments:

Nil

Non-compliance:	
<b>Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code:  None Observed.	<b>Objective evidence observed:</b>  Not Applicable.

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

Good Examples observed:	
<b>Description of Good Example (GE):</b>  None Observed.	<b>Objective evidence observed:</b> 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:	NA

<b>Migrant Workers:</b> <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 processes.	
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:	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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles:  1 employee worked as supervisor	

## NON-EMPLOYEE WORKERS

<b>Recruitment Fees:</b>	
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

<b>Agency Workers (if applicable)</b> <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):	Not applicable  A1: Names if available:
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA  D1: Please give details:
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: NA

Contractors:	
<p>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,</p>	
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 <b>Yes</b> , how many workers supplied by contractors?	NA
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA C1: Please describe finding:
D: If <b>Yes</b> , please give evidence for contractor workers being paid per law:	NA

### 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 management interview and factory tour, no process was subcontracted to another factory.

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

Per factory tour

Document review such as contractor management procedure, contractor evacuation records, contractor list etc.

Management and employee interview

### Non-compliance:

#### Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code:  
Not Applicable.

#### Objective evidence observed:

Not Applicable.

### Observation:

#### Description of observation:

None Observed.

#### Objective evidence observed:

Not Applicable.

### Good Examples observed:

Description of Good Example (GE):

#### Objective evidence observed:

None Observed.

Not Applicable.

### Summary of sub-contracting – if applicable

☒ Not Applicable

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

☐ Yes

☐ No

A1: Please describe:

B: If sub-contractors are used, is there evidence this has been agreed with the main client?

☐ Yes

☐ No

B1: If **Yes**, summarise details:

C: Number of sub-contractors/agents used:

D: Is there a site policy on sub-contracting?

☐ Yes

☐ 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

☒ Not Applicable please x

A: If homeworking is being used, is there evidence this has been agreed with the main client?

☐ Yes

☐ No

A1: If **Yes**, summarise details:

B: Number of homeworkers

B1: Male:

B2: Female:

Total:

C: Are homeworkers employed direct or through agents?

☐ Directly

☐ Through Agents

C1: If through agents, number of agents:

D: Is there a site policy on homeworking?

☐ Yes

☐ No

E: How does the site ensure worker hours and pay meet local laws for homeworkers?

F: What processes are carried out by homeworkers?



<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

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 3 <sup>rd</sup> party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The factory had established published, anonymous and open channels available for reporting violations of Labour standards and H&S and other grievances to a 3 <sup>rd</sup> party, such as hotline, email etc.
B: If <b>Yes</b> , are workers aware of these channels and have access? Please give details.	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.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion box, hotline
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Workers can raise their complaint freely, such as suggestion box, email, directly report to their supervisor.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: If yes, please give details

### 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 established anti-harsh or inhumane treatment policy. The policy states that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. Through the factory management and workers' interview, it was noted that no physical abuse or discipline happened in the factory and the disciplinary procedure of the factory is verbal warning and education.

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

1. Factory tour
2. Document review, such as anti-harsh or inhumane treatment policy, recruitment procedure, discipline records etc.
3. Management interview
4. Employee interview

Any other comments: Nil

### Non-compliance:

#### Description of non-compliance:

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

None Observed.

#### Objective evidence observed:

Not Applicable.

### Observation:

#### Description of observation:

None Observed.

#### Objective evidence observed:

Not Applicable.

### Good Examples observed:

#### Description of observation:

None Observed.

#### Objective evidence observed:

Not Applicable.

## 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:

Based on management interview and employee interview, it was noted that the factory recruited workers through poster at the factory gate and introduction of exited workers and established the procedure for screening through checking the original identification certificates and other background information to ensure that employees without legal right to work were not recruited.

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

1. Factory tour
2. Document review such as recruitment policy, ID copies, personal files, labour contracts etc.
3. Employee interview
4. Management interview

Any other comments:

Nil

### Non-compliance:

#### Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code:  
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 10B2: Environment 2–Pillar

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

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

### 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 established the environment policy and procedure to ensure meeting applicable environmental laws.

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

Factory tour

Document review such as environment procedure, report form of environmental impacts, approval document for the report form of environmental impacts, approval document for on-site inspection and acceptance of completed environmental protection facilities.

Worker interview

Management interview

Any other comments:

Nil

### Non-compliance:

#### Description of non-compliance:

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

#### Objective evidence observed:

None Observed.

Not Applicable.

Other findings

Other Findings Outside the Scope of the Code
None observed

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

		
Factory name	Factory gate	Factory Address
		
Production building overview	Sharpening	Painting
		
Assembly & packing	Finished goods warehouse	Toilet

		
<p>Exit sign and emergency light</p>	<p>Fire extinguisher</p>	<p>Fire alarm</p>
		
<p>Fire hydrant</p>	<p>Time recording system</p>	<p>Drinking water facility</p>
		
<p>Evacuation plan</p>	<p>First aid kit</p>	<p>Suggestion box</p>

## Non-compliance Photo

	
<p>NC No.1 Not wear PPE</p>	





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Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

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

[https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw\\_3d\\_3d](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

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

[https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY\\_2brg\\_3d\\_3d](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

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