



Social Compliance Factory Assessment Report

Audit Date(s): Sep 27, 2018	SGS Job No.: JSASCN18335668
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Type of Audit	Initial audit	Announced
Name of Client	Brand Collective Pty Ltd	
Name of Vendor /Supplier	Brand Collective Pty Ltd	

II. Audited Factory Information

Overall Grade

C

A. Basic Information

Factory Name	DONGGUAN GUANYI FOOTWEAR CO., LTD		
Factory Address	No.2,He Chang San Heng Road, Da Tang Industrial zone, Houjie community, Houjie Town, Dongguan City.		
Contact Person	Fu Zuxiang	Title	Vice general manager
Tel. number	0769-81520118	Fax number	0769-815206088
E-mail	Sunny.ge@esmart.hk		

* Refer to summary page for details.

B. Factory Operations

Products Manufactured	Shoes			
Production Capacity	450000 Pairs	Qty per year	Peak Season	Nil
Factory Layout (S.Q. Meters)				
	Offices	200	Dormitory Area	0
	Manufacturing Area	5000	Kitchen and Canteen	70
	Warehouses / Stores	350	Total	5620
Production Process Flow				
Equipment used and quantity				
Subcontractor's Name(s) if any				
	Name	Address	Contact Person	Subcontracted process
	Nil	Nil	Nil	Nil
Other Brands in Factory	TAhari , BIANCO , ASH, Botkier			

C. Employees Details

Function	Male	Female	Sub-total
Managers/Supervisors	4	3	7
Administration Staff	1	1	2
Quality Control Staff	1	2	3
Engineering Staff	0	0	0
Permanent Workers	43	38	81
Temporary/contract workers	0	0	0
Sub-total	49	44	93

III. Auditor Team

Auditor Name	Auditing Firm	Role in the team
Allen Cui	SGS	Leader

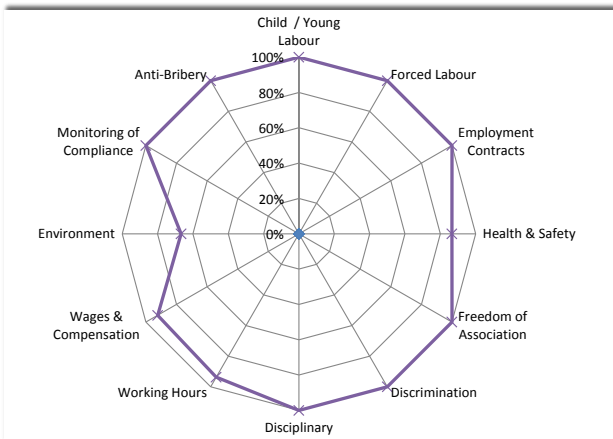
IV. Auditee Representatives

Name	Department	Position
Fu Zuxiang	Administration department	Vice general manager
Zhou Huiwen	Administration department	Manager
Xiong Juan	Personnel department	HR manager

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Audit Rating

No	Section	Grade	Section Rating	No. of Critical items	No. of Major items	No. of Minor items
1	Child / Young Labour	A	100.0%	0	0	0
2	Forced Labour	A	100.0%	0	0	0
3	Employment Contracts	A	100.0%	0	0	0
4	Health & Safety	C	86.5%	0	2	10
5	Freedom of Association	A	100.0%	0	0	0
6	Discrimination	A	100.0%	0	0	0
7	Disciplinary Practice	A	100.0%	0	0	0
8	Working Hours	B	93.8%	0	0	1
9	Wages & Compensation	C	92.3%	0	1	0
10	Environment	C	66.7%	0	2	1
11	Monitoring of Compliance	A	100.0%	0	0	0
12	Anti-Bribery	A	100.0%	0	0	0
Total score/number			93.3%	0	5	12



Section Rating criteria -

A	≥ 95%, & No Critical, & No Major
B	≥ 85%, & No Critical, & No Major
C	≥ 60%, & No Critical
D	< 60%, & No Critical
E	Any Critical

Overall Grade

C

Executive Summary:

The audit findings are based upon on-site observation, interview with employees and management, and documents & records review.

Overall comments:

The audited factory was specialized in manufacturing shoes and it was founded on Jul 14, 2016. The factory located at No.2, He Chang San Heng Road, Da Tang Industrial zone, Houjie community, Houjie Town, Dongguan City. The audited factory rented two 5-floor buildings, and one 1-floor warehouse. One 5-floor building was used as production building, warehouse and office. The 1st floor of the other one 5-floor building was used as kitchen and canteen, the 2nd and 5th floor of the other one 5-floor building was used as warehouse and the 3rd and 4th floor of the other one 5-floor building was idle dormitory. There were 93 employees in the factory during the audit day. The attendance records from Aug,1 2017 to audit day and the payroll records from Aug, 2017 to Jul, 2018 were provided for review. The factory allowed SGS auditor conducted confidential interviews with workers who were chosen freely from workshops without any influence by the management. Totally 10 workers were randomly selected from different workshops and positions for individual (6 workers) and 1 group (4 workers/ group) interviews. Workers interview was conducted in an independent room/ area at this factory. All interviewees said they were satisfied with factory. The factory management showed a cooperative attitude basically. They were willing to take corrective action for the findings identified during the audit.

Good practices:

Nil

To fully meet the requirements of this standard, the factory has to take corrective actions to all weak points listed as follows.

Critical issues: Nil

Major issues: [413][422][906][1007][1008]

Minor issues: [427][431][432][439][443][444][446][451][452][468][807][1010]

Addition comments (if any)

Nil

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Business licence



Factory gate



Factory address



Production building



Raw material warehouse



Cutting



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Sewing



Gluing



Molding



Finished goods warehouse



Emergency exit and emergency light



Evacuation sign



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Evacuation plan



Fire extinguisher



Fire hydrant



Potable water



Toilet



Attendance recorder



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First aid kit



Eye washer



Kitchen



Canteen



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NC(422)-Based on onsite observation, it was noted that the evacuation signs from the 1st to 2nd floors of production building, and from the 4th to 5th floors of production building were installed higher than 1M, around 1.5M.



NC(427)-Based on onsite observation, it was noted that one sampled sewing machine did not install needle protector



NC(439)-Based on onsite observation, three electrical panels did not install protective cover such as two at the materials warehouse, one at the molding workshop.



NC(443)-Based on site observation, one barrel of cleaner and one barrel white glue did not post safety chemical labels.



NC(444)-Based on site observation, the chemicals (such as cleaner, glue etc.) did not equip secondary containment at the chemical warehouse.



NC(452)-Based on site observation, the factory provided disposable masks instead of active-carbon masks to the brushing glue.

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1. Child Labour / Young Labour			
No.	Requirements	Result	Comments / Audit findings
	Facility Information:		
	What is the local legal minimum age of employee?	16	
	What is the local legal definition of young worker?	between 16-18 years old	
101	Does the facility have a copy of valid laws and regulations on child labour or understand its requirements?	Full Compliance	Based on management interview, factory management understood it well.
102	Does the facility have a written policy on prohibiting child labour and remediation procedures?	Full Compliance	Based on documents review and management interview, factory had a written policy on prohibiting child labor and remediation procedure, and workers knew it well.
103	Does the facility communicates related policy with their employees?	Full Compliance	The factory had provided regular training on social accountability to workers including the policy on child labour and young labour, and the policy on social accountability was posted onsite.
104	No any child labours are identified at the time of this audit.	Full Compliance	No child labour was identified. the youngest worker in the factory was 18 years old who born on Aug 19, 2000 and was recruited on Jul 19, 2018.
105	Does the facility have effective procedures to verify the age of employee at the time of recruitment? E.g. Identification document verification & comprehensive personnel file keeping, candidates interview.	Full Compliance	Based on document review, factory established effective procedures to verified the age of workers at the time of recruitment. The factory had kept all employees' personnel files including ID copies.
106	Are the HR recruiting staff being trained about the hiring policy and age verification procedure?	Full Compliance	The HR recruited staff and tained about the hiring policy and age verification procedure.
107	Does the facility maintain comprehensive personnel files of all employees with copies of personal identification document?	Full Compliance	The factory had kept all employees' personnel files including ID copies.
108	If historical child labour identified, has proper remedial actions & corrective actions been taken?	Full Compliance	No historical child labor before.
109	Does the facility have a copy of valid laws and regulations on young worker or understand its requirements?	Full Compliance	Based on management interview, factory management understood it well.
110	Does the facility have a written policy on young worker protection and communicate this to all employees?	Full Compliance	Based on the document review and workers interview, factory had a written policy on young worker protection and workers understood it well.
111	If there are law regulating young workers protection, does the facility fulfil the young workers registration in accordance with the law?	Full Compliance	No young workers was available in the factory during the audit day, the youngest worker in the factory was 18 years old who born on Aug 19, 2000 and was recruited on Jul 19, 2018.
112	If there are law regulating young workers protection, does the facility fulfil the young workers physical examination requirements in accordance with the law?	Full Compliance	No young workers was available in the factory during the audit day, the youngest worker in the factory was 18 years old who born on Aug 19, 2000 and was recruited on Jul 19, 2018.
113	If there are law regulating young workers protection, are there overtime works and night works (20:00-08:00) for young workers and if they are compliant with the law?	Full Compliance	No young workers was available in the factory during the audit day, the youngest worker in the factory was 18 years old who born on Aug 19, 2000 and was recruited on Jul 19, 2018.
114	If there are law regulating young workers protection, are the young workers being exposed to hazardous works?	Full Compliance	No young workers was available in the factory during the audit day, the youngest worker in the factory was 18 years old who born on Aug 19, 2000 and was recruited on Jul 19, 2018.

Additional Comments

2. Forced Labour			
No.	Requirements	Result	Comments / Audit findings
201	Does the facility have a copy of valid laws and regulations on prohibiting forced labour or understanding its requirements?	Full Compliance	Based on management interview, factory management understood it well.
202	Does the facility have a written policy on prohibiting forced labour?	Full Compliance	Based on the document review and workers interview, factory had a written policy on prohibiting forced labor.
203	Does the facility communicates related policy with their employees?	Full Compliance	The factory had provided regular training on social accountability to workers including the policy on prohibiting forced labor, and the policy on social accountability was posted onsite.



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204	No employees are required to lodge deposits such as illegal withholding of salary, training fee, employment broker fee, fee for tools, fee for uniforms, or any other form of monetary payment in exchange for employment.	Full Compliance	The below items were found withheld: <input type="checkbox"/> Salary <input type="checkbox"/> Employment broker fee <input type="checkbox"/> Tools fee <input type="checkbox"/> Uniform fee <input type="checkbox"/> Original documents (e.g. ID papers) No negative evidence was identified during the audit.
205	No original personal identity documents such as ID papers, passports being withheld by the facility for employment purpose.	Full Compliance	Based on workers interview, factory only maintained the ID copy, the original personal files were not withheld by the factory.
206	No any physical method is used to limit freedom of employees during working hours such as inappropriate use of surveillance cameras at private areas and security guards to stop employees from leaving the working positions.	Full Compliance	Based on workers interview and onsite observation, workers could leave factory freely after applied to management.
207	Are employees allowed to leave at the end of the working shift?	Full Compliance	Based on workers interview and onsite observation, workers could leave at the end of the working shift.
208	No any restriction placed on employees' freedom of movement when they are in the dormitories.	Full Compliance	Based on workers interview, no restriction placed on workers' freedom of movement in dormitory.
209	No employees are forced to work overtime by the use of threat and force.	Full Compliance	Based on workers interview, they worked overtime voluntarily.
210	No employees are being penalized if they do not meet their daily work quota.	Full Compliance	No negative evidence was found during the audit. Based on worker interview, it was confirmed that no daily production quota was required by the factory and nobody would require them to work after shift.
211	Are employees permitted time-off with doctor's certificate or note when sick or for maternity?	Full Compliance	Based on management and workers interview, it was acceptable.
212	Are employees permitted to leave employment after giving reasonable notice?	Full Compliance	Based on management and workers interview, it was acceptable.
213	No any evidence is identified on the use of forced labour (except the above-mentioned types), prison labour, bonded labour, indentured labour, and trafficked labour.	Full Compliance	No negative evidence was identified during the audit.

Additional Comments			

3. Employment Contracts			
No.	Requirements	Result	Comments / Audit findings
301	Are written employment contracts being signed and/or renewed with all employees on time?	Full Compliance	Based on workers interview, they signed employment contracts with the factory and kept contract copies, the contents were reasonable.
302	Are amendments on contracts being signed by management and employees?	Full Compliance	Based on labor contracts review, amendments on contracts had been signed by management and employees.
303	Are terms and conditions of employment contracts fair, completely and correctly specified, and compliant with legal requirements?	Full Compliance	Based on labor contracts review, all terms and conditions in the contract were fair and met legal requirement.
304	Are employment contracts written in local languages and fully understood by employees?	Full Compliance	Based on labor contracts review, they are written in local languages and fully understood by employees.
305	Are copies of employment contracts provided to employees in local language?	Full Compliance	Based on workers interview, copies of employment contracts were provided to employees.
306	Is probation period complied to local legal requirements?	Full Compliance	Based on labor contracts review and workers interview, probation period was complied to local legal requirements.

Additional Comments			
Nil			

4. Health & Safety			
No.	General	Result	Comments / Audit findings
401	Does the facility have a copy of valid laws and regulation on health and safety or understand its requirements?	Full Compliance	Based on document review and management interview, the factory has a copy of valid laws and regulations on health and safety and the management understand its requirements well.

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402	Does the facility establish internal policy or procedures associated with health and safety risk prevention and remediation, and being made available to workers in a language they understand?	Full Compliance	Based on document review and management interview, the factory had established policy on health and safety risk prevention and remediation. The factory had conducted risk assessment on health and safety, and the management and workers knew the main risk in the working, the health and safety training was provided to workers regularly.
403	Is a senior management representative for health & safety appointed?	Full Compliance	Fu Zuxiang/ Vice general manager was the senior management representative for health & safety appointed.
404	Is safety committee established with members representing the various shifts, functions and levels?	Full Compliance	The factory established safety committee with members representing the various shifts, functions and levels.
405	Is there an appropriate health and safety risk assessment for all areas and job functions?	Full Compliance	The implemented health and safety risk assessment for all areas and job functions, and the factory provide risk assessment record for review.
406	Are training and awareness programs on health and safety arranged regularly for all employees?	Full Compliance	The factory provided the training plan during the audit, based on the training records review, the factory had provided the health and safety training was provided to workers regularly. And workers knew related requirement based on workers interview.
407	Are all site buildings (including both production & dormitory) maintained in good condition, and physically sound?	Full Compliance	Based on onsite observation, all site buildings are maintained in good condition and physically sound.
408	Are all site buildings (including both production & dormitory) inspected with certificate?	Full Compliance	Based on onsite observation, the certificate of building was inspected. It was valid.
409	Does the facility have a suitable working environment in respect of ventilation, temperature, lighting, cleanliness, and tidiness?	Full Compliance	Based on onsite observation, the factory had a suitable working environment in respect of ventilation, temperature, lighting, cleanliness, and tidiness.
410	Is drinking water accessible and adequate at each facility floor?	Full Compliance	Based on onsite observation, the drinking water provided on each floor with free of charge, and could be accessible any time. It's adequate and free of charge.
411	Is quality test of drinking water being conducted regularly per local law requirements?	Full Compliance	Based on observation and document review, the factory had conducted quality test for drinking water in the factory regularly.
412	Are workers provided with clean toilet facilities, which are private, segregated for men and women, and adequate in number?	Full Compliance	Based on onsite observation, the clean toilet facilities had been provided, which were private, segregated for men and women, and adequate in number.
No.	Fire safety (Including production & dormitory & canteen area)	Result	Comments / Audit findings
413	Does the facility have valid fire inspection certificates issued by local fire service authority?	Non-compliance	<p>Finding: Factory did not provide the valid Fire Safety Certificates/Building Fire Safety Register Certificate for review. Based on document review and onsite observation, factory did not provide Fire Safety Certificates/Building Fire Safety Register Certificate of one 5-floor production building, one 1-floor warehouse and one 5-floor idle dormitory buildings for review.</p> <p>Remark: The valid Fire Safety Certificates which factory provided did not show the any information such as the area, the number of floor and location etc.</p> <p>It violated Fire Prevention Law of the People's Republic of China (2008) Article 11 For the construction of a large-scale people-intensive site or any special construction projects as prescribed by the public security of the State Council, the employer shall submit the fire protection design documents to the fire protection division of the public security organ for examination. The fire protection division of the public security organ shall be responsible for the examination result according to law. Article 13 Where the construction of a construction project that needs a fire protection design under the national fire protection technical standards for project construction is completed, a fire protection as-built acceptance or filing shall be conducted as follows:1. For a construction project as described in Article 11 of this Law, the employer shall apply to the fire protection division of the public security organ for a fire protection as-built acceptance; or 2. For any other construction project, the employer shall, after an acceptance, report it to the fire protection division of the public security organ for archival purposes, and the fire protection division of the public security organ shall conduct a spot check.A construction project that is subject to a fire protection as-built acceptance according to law but fails to undergo or pass the fire protection as-built acceptance shall be forbidden to be put into use. Any other construction project that fails to pass a spot check shall cease to be used.</p>
414	Does the number of fire extinguishers meet local legal requirements? Are they properly located?	Full Compliance	Based on onsite observation, the number of fire extinguishers met local legal requirements, and they were properly located.

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415	Are all fire extinguishers inspected and tested regularly and ready to use at all times?	Full Compliance	Based on onsite observation, all fire extinguishers were unblocked and easily accessible.
416	Are fire alarms audible/visible in any section of the facility? Is fire alarm system being inspected and tested regularly?	Full Compliance	Based on onsite observation, fire alarm are inspected by internal staff every month, and they were in good condition during the audit.
417	Is fire and hazard early warning system such as smoke detector installed and regularly tested?	Full Compliance	Based on onsite observation, fire alarms were audible and visible on each floor, which were inspected monthly.
418	Is an effective fire extinguishing system i.e. fire hydrant/fire hose and/or sprinkler installed at each facility floor, inspected and maintained properly per local law requirements?	Full Compliance	Based on onsite observation, fire hydrants were available on each floor, which were inspected monthly.
419	Are documented fire drills conducted at least twice a year or per local law requirements? Does the facility have a written fire evacuation plan covering (1) roles and responsibilities in case of fire, and (2) evacuation routes, and (3) assembly area, and (4) fire equipment location, and (5) first aid location, and (6) emergency telephone numbers, and (7) how to checked off that no one is left unaccounted for in the building?	Full Compliance	The fire drill were conducted twice a year, and the past two fire drills were conducted on Nov 14, 2017 and April 13, 2018.
420	Are fire exits and escape routes adequate at each facility floor, unblocked, unlocked and easy of access?	Full Compliance	According to onsite observation, fire exits and escape routes at each floor were adequate, unlocked, unblocked and easy of access.
421	Are exits and fire exits identified with sign or indicator lamps?	Full Compliance	Based on onsite observation, all exits and fire exits were identified with sign or indicator lamps.
422	Are adequate emergency lighting system installed at each facility floor?	Partial Compliance	<p>Finding: Based on onsite observation, it was noted that the evacuation signs from the 1st to 2nd floors of production building, and from the 4th to 5th floors of production building were installed higher than 1M, around 1.5M.</p> <p>It violated Code of Design on Building Fire Protection and Prevention (GB50016-2006), Article 11.3.4</p> <p>Light evacuation indicating sign shall be installed along the evacuation passageway of public building, high-rise factory building (storage) and class A, B, C factory building and shall be installed at the place right over the exit and the evacuation door of the public assembly places. It also shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. 'EXIT' shall be installed at the place right over the exit and evacuation door as indicating sign. 2. The evacuation indicating sign along the exit passageway shall be installed on the wall surface along the exit passageway and the corner where its distance to the floor shall be less than 1.0m, and the interval of the indicating signs shall not be over 20m. For pocket-shaped passageway, the interval shall not be over 10m. At the corner of the passage way, the interval shall not be over 1.0m; the indicating signs shall meet the related requirements of the current national standard Fire Safety Sign GB 13495.
423	Are correct evacuation plots being posted at all floors of facility?	Full Compliance	The factory had posted evacuation plan in every floor of production and dormitory buildings.
424	Are welding operators trained and qualified per local regulations?	NA	There was no welding process in the factory.
425	Is hot work permit procedure implemented for welding, cutting and open flame operation at the facility?	Full Compliance	The factory had established hot work procedure, records were provided for review.
426	Number of fire accidents took place in the past 12 months at the facility (if any)		Based on confirmed with management and workers, no fire accident took place in the past 12 months.
No.	Machinery safety & special equipments	Result	Comments / Audit findings
427	Are adequate guarding and/or devices installed for moving/rotating parts of machine, pulleys and belts or any other dangerous parts of machines? (e.g. safety guards, inter locking guards, double-hand operation, etc)	Partial Compliance	<p>Finding: Based on onsite observation, it was noted that one sampled sewing machine did not install needle protector</p> <p>It violated General Rules of Design on Health and Safety of Production Facility (GB 5083-1999), Article 6.1.2 requires that: Necessary safeguard shall be installed for all moving parts that are accessible to the operator during machine operation.</p>
428	Are signs available which prohibit loose clothing, jewellery, and long hair near moving machinery?	Full Compliance	Based on document review and management interview, the factory had established relevant instruction to prohibit loose clothing, jewelry, and/or long hair near moving machinery.
429	Does the facility perform regular preventive maintenance for the machines including safety devices?	Full Compliance	The factory had performed regular preventive maintenance for all machines, the records were provided for review.
430	Are open stairs and platforms guarded by handrails?	Full Compliance	Based on onsite observation, all stairs and platforms were guarded by handrail.

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431	Does the facility have valid inspection certificates and/or permits for boilers, elevators, forklifts, pressure vessels and other special equipments per local regulation?	Partial Compliance	<p>Finding: Based on site observation and document review, factory did not provide the annual inspection report or registration certificate for the use of one vulcanizing boiler which volume was 2.2 M3 for review.</p> <p>It violated Production Safety Law of the People's Republic of China (2009 Amendment), Article 30 The special equipment that concerns the safety of life or is a rather danger, as well as containers or transport vehicles of hazardous substances, to be used by production and business units shall be manufactured by the specialized production entities in accordance with relevant provisions of the state, and only after it has passed the detections and tests of the detecting and testing institutions that are equipped with the professional qualifications for which a certificate for safe use or a mark of safety has been obtained could it be put into use.</p>
432	Are the operators of above-mentioned equipment trained and qualified per local regulation?	Partial Compliance	<p>Finding: Based on site observation and document review, factory did not provide the operator permit for one vulcanizing boiler which volume was 2.2 M3 for review.</p> <p>It violated Regulations on Safety Supervision of Special Equipment (2009 Amendment), Article 38 Operators and the relevant managerial staff of boilers, pressure vessels, elevators, lifting appliance, passenger ropeways, large amusement devices and specialized vehicles used at site (factory) (hereinafter referred to as the operators of special equipment) shall not engage in corresponding operation or management until they have passed the examination organized by the departments for safety supervision administration of special equipment as required by the State and acquired certificates for special operators with a nationally unified formula.</p>
433	Is vehicles speed properly controlled in the facility area?	Full Compliance	Based on onsite observation, it was acceptable.
434	Are emergency stop devices being installed on all dangerous machinery?	Full Compliance	Based on onsite observation, the emergency stop devices were installed on all dangerous machines.
435	Is lock out-tag out practice being trained and implemented effectively on all machinery?	Full Compliance	lock out-tag out practice were trained and implemented effectively on all machinery.
No.	Electricity safety	Result	Comments / Audit findings
436	Are all internal and external electricians qualified per local regulations?	Full Compliance	There was one external electrician with qualified certificate in the factory.
437	Are electrical safety procedures implemented effectively to ensure safety precautions such as grounding, discharging, and testing to be taken?	Full Compliance	Based on records review, the electrical equipment and wires were checked once per month by the electricians.
438	Are all the electrical wires installed in fully acceptable condition and adequately protected by isolated material?	Full Compliance	Based on onsite observation, all electrical wires are installed acceptable.
439	Are covers in place for junction boxes, electrical outlets, panel boards, and are they free from obstruction with proper warning signs?	Partial Compliance	<p>Finding: Based on onsite observation, three electrical panels did not install protective cover such as two at the materials warehouse, one at the molding workshop.</p> <p>It violated General Guide for Safety of Electric User (GB/T 13869-2008) 6.7 The electrical wiring of electrical products shall be of sufficient insulation strength, mechanical strength, and the ability to conduct electricity of electrical wiring. They shall be checked periodically. 6.8 The copper core rubber-sheathed flexible cable or cord shall be used as power cord on the movable electrical product. The power cord should be protected from breaking or damaging when moving.</p>
440	Are electrical installations checked monthly and repairs carried out by competent electrician?	Full Compliance	Based on records review, the electrical equipment and wires were checked once per month by the electricians.
No.	Chemical management	Result	Comments / Audit findings
441	Is there a written procedure for safely storage and handling of dangerous/hazardous chemicals?	Full Compliance	Based on document review, the factory had established written procedure for safely storage and handling of dangerous/hazardous chemicals.
442	Is a current dangerous/hazardous chemical inventory available?	Full Compliance	The chemical inventory was provided.

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443	Are all chemical containers properly labelled?	Non-compliance	<p>Finding: Based on site observation, one barrel of cleaner and one barrel white glue did not post safety chemical labels.</p> <p>It violated Regulations on Labor Protection in Workplaces Where Toxic Substances Are Used, Article 23 Packages for toxic substances shall meet the national standards, and the safety labels for poisoning articles shall be stuck or fastened thereto in a way easily comprehensible to the workers. Packages for toxic substances shall have conspicuous warning marks and warning specifications in Chinese.</p> <p>Units that trade or use toxic substances shall not trade nor use toxic substances without safety labels, warning marks and warning specifications in Chinese.</p>
444	Are dangerous/hazardous chemical properly stored with secondary containers, explosive-proof lamps, fire extinguishers, ventilation fans equipped?	Non-compliance	<p>Finding: Based on site observation, the chemicals (such as cleaner, glue etc.) did not equip secondary containment at the chemical warehouse.</p> <p>Remark: the step at the entrance of chemical warehouse are not high enough to use as secondary containment.</p> <p>It violated Code of Design on Building Fire Protection and Prevention (GB50016-2006), Article 3.6.11 Facilities capable of preventing liquids from flooding and spreading shall be provided in storage storing class A, B and C liquids</p>
445	Are emergency eyewash stations provided at the chemical storage/operating area?	Full Compliance	The emergency eyewash facility was available.
446	Are Material Safety Data Sheets (MSDS) available at the chemical storage and operating area, and made available to workers in a language they understand?	Partial Compliance	<p>Finding: Based on site observation, factory did not post the MSDS for chemicals such as the glue etc. at the moulding workshop</p> <p>It violated Regulations on Safety Use of Chemicals in Workplaces (1996), Article 12, Chemicals used shall have the labels, and the hazardous chemicals should be attached with safety labels. Also, the safety and technical instructions of the chemicals shall be available for operators engaged in the use of the chemical.</p> <p>Article 20, Units shall open safety and sanitary documents of hazardous chemicals to employees and educate them to identify the safety labels, understand the safety and technical instructions, and master the emergency response methods as well as self-first-aid measures. Units shall regularly educate and train employees regarding the safety use of chemicals at workplaces.</p>
447	Is adequate ventilation system including LEV equipped where chemicals (e.g., solvents, solder) existed?	Full Compliance	Based on site observation, there were adequate local ventilation facilities in workshops and chemicals warehouse.
448	Are gas cylinders and pipes properly maintained and labelled?	Full Compliance	No any gas cylinder used in the facility.
No.	Occupational health management	Result	Comments / Audit findings
449	As necessary, is air quality test performed at workshops as per legal requirements?	Full Compliance	The factory had conducted regular air quality test for assembly lines, the test report showed the result met legal requirement. The last test was conducted on 16 Jul. 2018.
450	As necessary, is noise test performed at workshops as per legal requirements?	Full Compliance	Based on document review, the noise test performed at workshop was provided to review. The last test was conducted on 16 Jul. 2018.

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451	Does the facility arrange occupational health examinations to the workers exposed to hazardous environment per local legal requirements?	Non-compliance	<p>Finding: Based on site observation, factory did not conduct the occupational health examination for workers who contacted the chemicals.</p> <p>It violated Law of the People's Republic of China on Prevention and Control of Occupational Diseases (2011 Amendment), Article 36 For employees conducting operations with exposure to occupational disease hazards, an employer shall organize pre-job, on-the-job, and off-the-job occupational health examination of employees according to the provisions of the work safety administrative department and health administrative department of the State Council and inform in writing employees of the examination results. The expenses for the occupational health examination shall be assumed by the employer. Employers shall not assign employees who have not undergone the pre-job occupational health examination to operations with exposure to occupational disease hazards; shall not assign employees with occupational contraindications to operations causing such contraindications; shall transfer employees who are found during occupational health examination to have suffered health injuries related to their jobs from such jobs and settle such employees appropriately; and shall not rescind or terminate labor contacts with employees who have not undergone the off-the-job occupational health examination. The occupational health examination shall be conducted by medical health institutions approved by the health administrative departments of the people's governments at and above the provincial level.</p>
No.	Personal protective equipment	Result	Comments / Audit findings
452	If the use of personal protective equipment (PPE), such as goggles, masks, safety shoes, earplugs, etc. is required to control safety hazards, is the equipment correctly and consistently used by employees where required?	Non-compliance	<p>Finding: Based on site observation, the factory provided disposable masks instead of active-carbon masks to the brushing glue.</p> <p>It violated Production Safety Law of the People's Republic of China (2009 Amendment), Article 37</p> <p>The production and business operation entities shall provide labor protection articles that meet the national standards or industrial standards to the employees thereof, supervise and educate them to wear or use these articles according to the prescribed rules.</p>
453	Is this PPE at disposal of the workers free of charge?	Full Compliance	Based on workers interview, the PPE were provided for workers with free of charge.
454	Are signs and warnings posted in the corresponding areas reminding employees to wear PPE?	Full Compliance	Based on onsite observation, PPE warning signs were posted in related workshops.
No.	Work related accidents management	Result	Comments / Audit findings
455	Does the facility keep accident / injury / illness records?	Full Compliance	Based on document review, the accident/injury/illness records were available.
456	Are corrective actions taken to prevent recurrence of work related accidents?	Full Compliance	The factory established procedure on accident treatment, which regulated that the corrective actions should be adopted when there is accident/injury/illness. Corrective actions were taken to prevent recurrence of work related accidents.
No.	First aid	Result	Comments / Audit findings
457	Are adequate first aid supplies located at each floor and marked with signs?	Full Compliance	Based on on-site observation, there were adequate first aid kits available in workshops .
458	Is there adequate employees trained on first aid?	Full Compliance	There were total 2 first aiders in the factory which was adequate.
459	If required by local law, is an in-house clinic/first aid station established with competent doctor/first aider employed at the facility?	Full Compliance	No such requirement by local law.
No.	Dormitory & Canteen	Result	Comments / Audit findings
460	Are dormitories NOT physically connected with the production and/or warehouse buildings?	NA	No dormitory was provided to workers in the factory.
461	Are the sleeping quarters separated for men and women?	NA	No dormitory was provided to workers in the factory.
462	Does the space per employee meet local laws?	NA	No dormitory was provided to workers in the factory.
463	Are there adequate bathrooms available to employees at dormitory with hot water accessible easily?	NA	No dormitory was provided to workers in the factory.
464	Are sanitary areas clean and hygienic with available washing facilities?	NA	No dormitory was provided to workers in the factory.
465	Are recreation areas available at the dormitory?	NA	No dormitory was provided to workers in the factory.
466	If required by local law, is the dining area available and the space is adequate?	NA	No dormitory was provided to workers in the factory.

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467	Are kitchen & canteen hygienic with adequate facilities & legal permit?	Full Compliance	The factory had obtained the permit for the canteen and the kitchen, the valid date was Feb 16, 2021.
468	Are adequate evidences identified (such as health examination) that employees working in kitchen are suitable to food service?	Non-compliance	<p>Finding: Based on documents review, it was noted that the factory did not provide 2 cooks' health certificates for review.</p> <p>It violated Food Safety Law of the People's Republic of China (2009), Article 34 Food producers and traders shall establish and implement an employee health management system. Anyone who suffers from an infectious disease of digestive tract, such as dysentery, typhoid, or virus hepatitis, active tuberculosis, and purulent or weeping skin diseases that adversely affect food safety must not engage in work in direct contact with food for consumption.</p> <p>The personnel involved in food production and trading shall take a medical check-up each year, and can work only after they have obtained a health certificate.</p>
469	Is any pest control program established and implemented effectively at kitchen & canteen area?	Full Compliance	Pest control program was established and implemented effectively at kitchen & canteen area.

Additional Comments

Nil

5. Freedom of Association

No.	Requirements	Result	Comments / Audit findings
501	Does the facility have a copy of valid laws and regulations on trade union/workers committees and freedom of association or understand its requirements?	Full Compliance	Based on management interview, factory management understood it well.
502	Does the facility have a written policy on freedom of association?	Full Compliance	Based on the document review and workers interview, factory had a written policy on freedom of association.
503	Does the facility communicates related policy with their employees?	Full Compliance	Confirmed by documents review, the factory had established the written policy on freedom of association and communicated this to all employees.
504	Is employees' right to form and join free trade unions and employees' associations acknowledged by the management and employees?	Full Compliance	From workers interview and management interview, 2 worker representatives were selected out, and it was acknowledged by the management and employees.
505	Is there a trade union formed at the facility? Pls. specify the name of the union.		No trade union formed in the factory.
506	If restricted by law or if there is no formal employees union, does the facility facilitate parallel means such as employee committee?	Full Compliance	There were 2 workers representatives elected by workers in the factory. Workers could appeal the grievances through workers representatives.
507	Do employees elect their own representatives / spokesperson(s)? If Yes, specify name and title.	Full Compliance	There were 2 workers representatives elected by workers in the factory. Which two representative's name were Liang Hailang/cutting, Guo Yue/ Sample room.
508	Does this include fair and effective mechanisms to ventilate and resolve grievances of employees?	Full Compliance	Workers could appeal the grievances through workers representatives.
509	Are there regularly scheduled meetings between employee representatives and management, and are meeting minutes on file?	Full Compliance	There were regularly scheduled meetings between workers' representatives and management, the meeting minutes were provided for review.
510	Do employees' representatives have access to members at workplace?	Full Compliance	Based on workers interview, it was acceptable.
511	Does the facility have a written policy and procedure to protect employees' representatives, union supporters and/or Union representatives from retaliation?	Full Compliance	The factory had established the written policy to protect employees' representatives, and related training was provided for workers.
512	For non-unionized facility, are fair and effective mechanisms to ventilate and resolve grievances of employees in place?	Full Compliance	Workers could appeal the grievances through workers representatives. And the suggestion box was available in the factory.
513	Has the facility not experienced a strike, walkout, demonstration, or other significant conflict with employees within the last 12 months?	Full Compliance	Based on confirmed with management and employees, no such case in the last 12 months.

Additional Comments

Nil

6. Discrimination

No.	Requirements	Result	Comments / Audit findings
601	Does the facility have a copy of valid laws and regulations on non-discrimination or understand its requirements?	Full Compliance	Based on management interview, factory management understood it well.
602	Does the facility have a written policy concerning discrimination?	Full Compliance	Based on the document review and workers interview, factory had a written policy on non-discrimination.



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603	Does the facility communicates related policy with their employees?	Full Compliance	The factory had provided regular training on social accountability to workers including the policy on non-discrimination, and the policy on social accountability was posted onsite.
604	No any evidence is identified on discrimination in hiring, promotion, compensation, welfare, dismissal, retirement, etc. based on gender, age, pregnancy, marital status, race, religion, disability, union membership, political affiliation, etc.	Full Compliance	No negative evidence was identified during the audit.
605	Is there no any evidence of sexual harassment?	Full Compliance	No negative evidence was identified during the audit.
606	Do employees have access to and are familiar with procedures for filing complaints about discrimination?	Full Compliance	Based on workers interview,workers understood the procedures well,they could communicated with supervisor directly.
607	Is there any reported complaint about discrimination at the facility for the past 12 months and evidence that this has been fairly handled and resolved?	Full Compliance	No such case happened in the past 12 months.

Additional Comments

Nil

7. Disciplinary Practice

No.	Requirements	Result	Comments / Audit findings
701	Does the facility have a copy of valid laws and regulations on disciplinary practices or understand its requirements?	Full Compliance	Based on management interview,factory management understood it well.
702	Does the facility have documented disciplinary rules?	Full Compliance	Based on the document review and workers interview,factory had a written disciplinary rules.
703	Does the facility communicates related policy with their employees?	Full Compliance	The factory had provided regular training on social accountability to workers including the policy on disciplinary, and the policy on social accountability was posted onsite.
704	Are the disciplinary rules fair, reasonable and legal or validated by local government authority?	Full Compliance	No negative evidence was identified during the audit.
705	Are the employee's disciplinary actions recorded?	Full Compliance	The disciplinary actions were recorded.
706	Are there free of any cases of disciplinary wage deductions ? If not, are the deductions from pay for infractions / breaking of rules reasonable and legal?	Full Compliance	No negative evidence was identified during the audit.
707	No any evidence exist for verbal abuse / mental / physical coercion.	Full Compliance	No negative evidence was identified during the audit.
708	Do employees have access to appeal in case of infractions / breaking of rules?	Full Compliance	Workers could reflect their grievances though suggestion box or communicateed with their supervisor.

Additional Comments

Nil

8. Working Hours

No.	Requirements	Result	Comments / Audit findings
	Facility Information:		
	Attendance recording mechanism		<input type="checkbox"/> IC Timecard <input type="checkbox"/> Paper Timecard <input checked="" type="checkbox"/> Fingerprint <input type="checkbox"/> Manual Record <input type="checkbox"/> Others, (_____)
	Records review period		Aug 1, 2017 to Sep 27, 2018
	Average monthly overtime hours of sampled workers		71.8 hours
	Maximum monthly overtime hours of sampled workers		84 hours
	Average weekly working hours of sampled workers		57.9 hours
	Maximum weekly working hours of sampled workers		58 hours
	Average daily working hours of sampled workers		9.7 hours
	Maximum daily working hours of sampled workers		10 hours
	Available overtime hours waiver		Nil
801	Does the facility have a copy of valid laws and regulations on working hours or understand its requirements?	Full Compliance	Based on management interview,factory management understood it well.



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802	Does the facility establish a written policy on working hours (including overtime requirements if any), rest and vacations as per legal requirements?	Full Compliance	Based on documents review and management interview, factory had a written policy on working hours, and workers knew it well.
803	Does the facility communicates related policy with their employees?	Full Compliance	The factory had provided regular training on social accountability to workers including the policy on working hours, and the policy on social accountability was posted onsite.
804	Does the company regular working hours (weekly, daily, hourly, night shift) comply with legal requirements?	Full Compliance	Based on management interview and document review, the regular working hours were 8 hours per day, and 40 hours per week.
805	Are all working hours of employees recorded accurately & documented completely?	Full Compliance	Based on documents review, the factory provided accurately working hours of workers for review.
806	Is the system for recording hours of piece-rate employees as the same as all other employees?	Full Compliance	All workers were paid by hourly rate.
807	Does employees' overtime not exceed legal requirements?	Non-compliance	<p>Finding: The factory did not ensure workers' overtime working hours as per the legal requirement.</p> <p>Based on attendance records provided by the factory from Aug 1, 2017 to the audited date review, it was identified that about 80% sampled workers' overtime working hours exceeded the legal required 36 hours from Aug, 2017 to Jul, 2017(except the Feb, 2018), they had worked 68 to 84 hours' overtimes in this months, up to 84 hours in Mar 2018.</p> <p>It violated Labor Law of the People's Republic of China (1994), Article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty six hours.</p>
808	Do total hours not exceed 60 per week?	Full Compliance	According to the provided attendance records, it was noted that the max weekly working hours were 58 hours.
809	Do all employees have at least one day (24 consecutive hours) in seven days? If answer is no, then what is the longest period of consecutive days that employees work?	Full Compliance	All workers could enjoy one day off per seven days. They rested on Sundays fixedly.
810	Do employees have time for rest & meal breaks as per employment contracts and compliant to local legal requirements?	Full Compliance	Based on documents review, workers had meal time from 12:00 to 13:30.

Additional Comments

9. Wages & Compensation

No.	Requirements	Result	Comments / Audit findings
	Facility Information:		
	Records review period		
	Compensation		<input type="checkbox"/> Piece-rate: _____ employees <input checked="" type="checkbox"/> Hourly-rate: <u>93</u> employees <input type="checkbox"/> Daily-rate: _____ employees <input type="checkbox"/> Monthly-rate: _____ employees
	Payment method		<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Bank <input type="checkbox"/> Others,
	Payment date		<input type="checkbox"/> Weekly, on _____ of each month <input type="checkbox"/> Bi-Weekly, on _____ of every month <input checked="" type="checkbox"/> Monthly, on <u>last day</u> of every month
	Average monthly wages received by sampled workers		Gross Wage: <u>3561.08</u> (Local) , <u>518.50</u> (USD) Net Wage: <u>3561.08</u> (Local) , <u>518.50</u> (USD)
901	Does the facility have a copy of valid laws and regulations on compensation and benefits or understand its requirements?	Full Compliance	Based on management interview, factory management understood it well.
902	Does the facility establish a written policy on compensation and benefits as per legal requirements?	Full Compliance	Based on documents review and management interview, factory had a written policy on compensation and benefits, and workers knew it well.



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903	Does the facility communicates related policy with their employees?	Full Compliance	The factory had provided regular training on social accountability to workers including the policy on compensation and benefits, and the policy on social accountability was posted onsite.
904	Do all employees' wages meet local minimum wages (including trainees / apprentices / employees in probation period, dispatched workers, student workers, etc.)? If there is no legal minimum wage established, does the facility dialogue with local trade unions, NGOs, other companies, or local government authority to seek guidance on the proper standard of pay for the workers?	Full Compliance	Based on review the working hours records and payrolls records from Aug, 2017 to Jul, 2018, it was noted that the factory paid employees minimum wage as RMB 1510 per month (8.68 per hour) before Jul 1, 2018 and the local minimum wages were RMB 1720 per month (9.89 per hour) after Jul 1, 2018 which met legal law requirements
905	Are the employees paid the legally required overtime wages?	Full Compliance	The factory compensated all workers at a legal mandated rate for their overtime hours.
906	Are legal benefits (social security/insurance, paid annual leave, maternity leave, high temperature allowance, etc...) provided to employees?	Non-compliance	<p>Finding: The factory did not provide 100% five social insurance to all workers. Based on documents review, it was noted that there were 93 workers in the factory in Sep 2018, however, the social insurance purchase record at Sep 2018 showed that the factory provided child-bearing and work-related injury insurance for 26 workers. retired, unemployment insurance for 24 workers and medical insurance for 27 workers Remark: factory provided business insurance for all other workers.</p> <p>It violated Labor Law of the People's Republic of China (1994), Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and an overall pooling of insurance funds from the society shall be introduced step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law.</p> <p>Article 73, Laborers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances: 1. Retirement; 2. Illness or injury; 3. Disability caused by work-related injury or occupational disease; 4. Unemployment; and 5. Child-bearing.</p>
907	Are the deductions from employees' wages fair, reasonable and legal?	Full Compliance	No deduction was made from workers' wage.
908	Is extra work to fulfil production target demanded with payment?	Full Compliance	No negative evidence was identified during the audit.
909	Is rework paid for piece rate employees?	Full Compliance	All workers were paid by hourly rate, no piece rate worker observed in the factory.
910	Is all compensation paid to employees themselves in cash/cheque/direct to bank or any other method convenient to employees?	Full Compliance	The factory paid to workers by cash.
911	Are wage slips given to employees and they understand the wage-break up?	Full Compliance	Based on workers interview, it was acceptable.
912	Is the payment frequency meets local legal requirements including the resigned or terminated employees ?	Full Compliance	Workers were paid on the last day of each month for the wage of last month, which met legal requirement.
913	Do all dispatched employees receive equal pay for equal work?	Full Compliance	No dispatched employees used by the factory.
914	Does the facility provide the same legal benefits to dispatched employees?	Full Compliance	No dispatched employees used by the factory.
915	Does the facility pay the salary to dispatched employees directly?	Full Compliance	No dispatched employees used by the factory.
916	In case of production suspension period (downtime), are the employees guaranteed for legal payment?	Full Compliance	No such case happed during the past 12 months.

Additional Comments

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10. Environment

No.	Requirements	Result	Comments / Audit findings
1001	Does the facility have a copy of valid laws and regulations on environment protection or understand its requirements?	Full Compliance	The facility had a copy of valid laws and regulations on environment protection and the management understood its requirements.
1002	Does the facility have an environmental policy signed by top management?	Full Compliance	The facility had an environmental policy which was signed by top management.
1003	Does the facility management appoint a qualified management representative with defined roles and responsibilities on implementing environmental policy and practices?	Full Compliance	Mr. Fu Zuxiang/ Vice general manager was appoint to management representative.

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1004	Does the facility management conduct environmental impact analysis on its operation and put in place mechanism to minimize the negative impact on environment?	Full Compliance	The facility management has conduct interior environmental impact analysis on its operation and put in place mechanism to minimize the negative impact on environment.
1005	Does the facility have put in place environmental emergency procedures related to risk identified (reporting, tank fulfilling, chemical use...)?	Full Compliance	The facility had put in place environmental emergency procedures related to risk identified.
1006	Are the employees provided with adequate and necessary environmental awareness for both their specific job function and general safety?	Full Compliance	The factory provided enough training to workers on environment awarness.
1007	Does the facility have all approvals, permits and licenses required by local laws or regulations?	Non-compliance	<p>Finding: Based on document review, the factory did not provide EIA approval for review.</p> <p>It violated Law of the People's Republic of China on the Environmental Impact Assessment (2002), Article 22 The environmental impact appraisal documents of a construction project shall be submitted by the construction entity according to the relevant provisions of the State Council to the competent administrative department in charge of environmental protection for examination and approval. If there is a department in charge of the corresponding trade of the construction project, the report of environmental impacts or the report form of environmental impacts shall, after passing the preliminary examination of the department in charge of the corresponding trade, be submitted to the competent administrative department in charge of environmental protection for examination and approval.</p>
1008	Does the facility have proper waste water, gas, etc. treatment before releasing?	Non-compliance	<p>Finding: Based on documents review, it was noted that the factory didn't provide the environmentally protective facility inspection and acceptance approval for review to verify the normal operation of its environmental facilities.</p> <p>It violated Environmental Protection Law of the People's Republic of China (1989), Article 26 Installations for the prevention and control of pollution at a construction project must be designed, built and commissioned together with the principal part of the project. No permission shall be given for a construction project to be commissioned or used, until its installations for the prevention and control of pollution are examined and considered up to the standard by the competent department of environmental protection administration that examined and approved the environmental impact statement.</p>
1009	Does the facility monitor the emission of waste water, gas, noise, etc. as per legal requirements?	Full Compliance	The factory monitored the emission of wast gas, noise, etc. as per legal requirements.
1010	Does the facility segregate, store and dispose hazardous waste properly?	Non-compliance	<p>Finding: The factory did not provide the transfer contract and record of hazardous waste for review.</p> <p>It violated Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (2013 Amendment), Article 57 requires that It is forbidden to supply or entrust hazardous wastes to the unit that does not have the operation licenses for the collection, storage, utilization and treatment.</p>
1011	Has an energy survey /assessment (e.g. electricity, heat, water,) been undertaken?	Full Compliance	Based on document review and management interview, relevant energy survey/ assessment (E.g. electricity, water, heat) had been undertaken.
1012	Has an energy efficiency plan been launched to reduce resources use?	Full Compliance	Based on document review and management interview, relevant energy efficiency plan had been launched to reduce resources use.

Additional Comments

Nil

11. Monitoring of Compliance

No.	Requirements	Result	Comments / Audit findings
1101	Does facility hold valid business license?	Full Compliance	The factory obtained valid business license.
1102	Does the auditor have access to the entire facility, all relevant areas and employees, and required audit documents/processes?	Full Compliance	During the audit, auditor was allowed to access to the entire facility, all relevant areas and employees, and required audit documents/processes.



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1103	Does the facility monitor the performance of subcontractors against all the above requirements?	Full Compliance	No subcontractor was used by the factory.
1104	Does the facility not subcontract some of the works to individual households?	Full Compliance	Based on onsite observation, workers and management interview, no negative evidence was found.

Additional Comments			
Nil			

12. Anti-Bribery			
No.	Requirements	Result	Comments / Audit findings
1201	Does the facility have a policy regarding anti-bribery?	Full Compliance	Based on document review, the factory had established written policy on anti-bribery.
1202	Does the facility train its employees in its anti-bribery policy?	Full Compliance	Based on document review and workers interview, the training on anti-bribery policy was provided to workers regularly.
1203	Does the facility have a system to discuss concerns and dilemmas'?	Full Compliance	The factory had established written procedure to discuss concens and dilemmas, and the management were well aware of the procedure.
1204	Does the facility have a documented procedure in place (including disciplinary measures) in case a bribery issue is identified?	Full Compliance	The factory had established written procedure (including disciplinary measures) on anti-bribery, records were provided for review.
1205	Does the facility keep the records of disciplinary measures for bribery attempt? (If yes, is there any evidence of the issue? Did the person have a chance to explain the situation? Was the disciplinary measure put in place according to the procedure?)	Full Compliance	Based on management and workers interview, no such case was happened in the factory.
1206	No any attempted bribery cases, corruption or unethical practices to anybody including auditors in the facility.	Full Compliance	No such bribery case occurred in the audit.
1207	Does the facility have a system to report bribery cases without any fear of reprisals?	Full Compliance	The factory established procedure on protection of reporter.

Additional Comments			
Nil			