

Sedex Members Ethical Trade Audit (SMETA) Report

(Version 4.0 May 2012, 2/4 Pillar Audit; replaces version 2.4. Sept 2010)

Supplier name:	JianHua Tissue Product Manufacturer	
Site country:	China	
Site name:	JianHua Tissue Product Manufacturer	
SMETA Audit Type:	<input checked="" type="checkbox"/> 2-Pillar	<input type="checkbox"/> 4-Pillar

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health and Safety Business Practices and Environment. The SMETA Best Practice Methodology v.4.0 May 2012 was applied. 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:

Please check appropriate SMETA Audit Type in the above box:

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - o Management systems and code implementation,
 - o Entitlement to Work & Immigration,
 - o Sub-Contracting and Home working

4-Pillar SMETA Audit

- o 2-Pillar requirements plus
- o Additional Pillar assessment of Environment
- o Additional Pillar assessment of Business Practices

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.





Audit Company Name: ESTS	Report Owner (payee): JianHua Tissue Product Manufacturer
Sedex Company Reference: (only available on Sedex System):	S Not provided
Sedex Site Reference: (only available on Sedex System)	P Not provided

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

Auditor Reference Number: (If applicable)	Not Applicable
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SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA best practice guidance.

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

Auditor Name(s) (please list all including all interviewers): Mike Peng

Role: Lead auditor

Date: September 27, 2014

Audit Details

Audit Details	
A: Report #:	AU14304-01
B: Date of audit:	September 27, 2014
C: Time in and time out:	Time in: 09:30 Time out: 17:00
D: Number of Auditor Days Used: <i>(number of auditor x number of days)</i>	One auditor in one day
E: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other - Define
F: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced <input type="checkbox"/> Unannounced
G: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If no, why not?	Not provided by the factory.
I: Auditor name(s) and role(s):	Mike Peng / Lead auditor
J: Report written by:	Mike Peng
K: Report reviewed by:	Sindy Zhang
L: Report issue date:	Oct. 9, 2014
M: Supplier name:	JianHua Tissue Product Manufacturer
N: Site name:	JianHua Tissue Product Manufacturer
O: Site country:	China
P: Site contact and job title:	Ye Hua Sheng / Manager
Q: Site address:	No.130, Jianghai road, Jiangmen, Guangdong
Site phone:	13828031039
Site fax:	0750-3811879

Site e-mail:	info@bobogroup.com			
R: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	Business license Number: 440700000004019			
S: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Tissue paper			
T: Audit results reviewed with site management?	Yes			
U: Who signed and agreed CAPR (Name and job title)	Ye Hua Sheng / Manager			
V: Did the person who signed the CAPR have authority to implement changes?	Yes			
W: Previous audit date:	NA			
X: Previous audit type:		SMETA 2-pillar	SMETA 4-pillar	Other
	Full Initial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Periodic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Full Follow-Up Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Follow-Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Other*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	*If other, please define: NA This is an initial audit			

Audit Scope

Local Law	
(Please state legal requirement)	
A: Standard work week: <i>(total hours excluding overtime)</i>	8 hours per day and 40 hours per week
B: Maximum allowed overtime hours: <i>(please state per day, week, month)</i>	Not exceed 3 hours per day and 36 hours per month
C: Minimum work age:	16 years old
D: Minimum legal wage for standard hours: <i>(please state per day, week, month)</i>	The local minimum wage standard was set at RMB 1130 per month equivalent to RMB6.49 (1130/21.75/8) per hour since May 1, 2013.
E: Minimum legal overtime wage: <i>(please state per day, week, month)</i>	The employing unit shall, according to the following standards, pay labourers remuneration higher than those for normal working hours under any of the following circumstances: 1) to pay no less than 150% of the normal wages if the extension of working hours is arranged; 2) to pay no less than 200% of the normal wages if the extended hours are arranged on days of rest and no deferred rest can be taken; and 3) To pay no less than 300% of the normal wages if the extended hours are arranged on statutory holidays.

Audit Scope	
(Please select the code and additional requirements that were audited against during this audit)	
2-Pillar Audit	<input checked="" type="checkbox"/>
10B4: Environment 4-Pillar	<input type="checkbox"/>
10C: Business Practices	<input type="checkbox"/>

Note: The main 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.

Non-Compliance Table

Issue		Area of Non-Conformity <i>(Only check box when there is a non-conformity)</i>			Record the number of issues by line*:		
		ETI Base Code	Local Law	Additional Elements	NC	Obs	GE
0	Management systems and code implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
1	Employment Freely Chosen	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
2	Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
3	Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2	0	0
4	Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
5	Wages and Benefits	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
6	Working Hours	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
7	Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
8	Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
8A	Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
9	Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
10C	Business Practices		<input type="checkbox"/>	<input type="checkbox"/>		0	0

*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.

Audit Overview

Audit Overview			
	Management	Worker Representatives	
Audit attendance	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 not present please explain reasons why	NA		
E: If Union Representatives not present please explain reasons why:	No Trade Union in the factory.		
F: Site description: (Include size, location and age of site. Also include structure and number of buildings)	<p>JianHua Tissue Product Manufacturer was located at No.130, Jianghai road, Jiangmen, Guangdong, China. The factory was consists of one 2-storey building and one 6-storey building (only second floor to fourth floor were rent and used by the audited factory) as production floor and warehouse. No dormitory or canteen is available for employees. Through management interview, they started their operation at the existing location on December 2005.</p> <p>A total of 29 workers worked in the factory. Workers worked for 5 days a week for regular working hours. Workers' wages were calculated on hourly-rated basis. The peak season was not obvious according to management interview and workers interview.</p> <p>Remark: There is another factory names Chang Wei Cable Factory occupied the first floor of the 6-storey production building. Through management interview, they have no any relationship with Chang Wei Cable Factory, so the business license of that factory was not unable to provide and the factory was not allowed to visit. Through employees' interview, they did not know about that factory and workers of both factories would not help each other.</p>		
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer		

	<input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor										
H: Month(s) of peak season: <i>(if applicable)</i>	The peak season was not obvious.										
I: Typical production level as a % of the total capacity by month (record below): <i>Site declaration only – this has not been verified by auditor.</i>											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
6	8.5	4.2	4.3	9.7	4.3	12	14	15	7	7	8
J: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)											
<p>The main products manufactured in the factory were tissue papers The main production process was as below: Cutting-> Packing</p> <p>The main equipments used were cutting machines.</p>											
K: 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											
<p>The factory agreed that ESTS auditor conducted confidential interviews with workers who are chosen freely without any influence by the factory management; 10 workers were randomly selected from different workshops for individual or group interviews; The workers interviews were conducted at an independent room that located at the workshop. The workers showed a cooperative attitude during the interview process. Based on the workers interview, workers expressed their positive attitude to management and workplace. All workers said that they were satisfied with working condition and the wage in the factory.</p> <p>The information of interviewed workers as follows:</p> <ol style="list-style-type: none"> For child labor issues, all interviewed workers said that the factory checked their ID cards to verify their ages and kept their ID copies during recruitment. No child labour was identified during the audit. For forced labor issues, they said they were not required the "deposit" or deposited their personal ID cards; the employees could resign at their option and should notice the factory in advance in 30 days. All interviewees said they can leave factory freely after work-off during the lunch break and dinner break. For discrimination issues, they said they could obtain the job based on their working experiences and abilities, the female worker or male workers' wages were calculated at the same rate if they engaged for the same work. All interviewees confirmed that no discrimination occurred in the factory. For discipline practice issues, the interviewees said they would be warned if they broke the factory rules. For safety and health issues, the workers were satisfied with the working condition and the factory regularly provided safety training to workers. The new employed workers would be trained before they engaged their work. Fire drills were conducted twice per year, the last fire drill which included the evacuation exercise and the use of the fire extinguishing facilities was conducted on March 3, 2014. For working hour's issues, all interviewed worker said they normally worked 5 days per week and 8 hours per day. All interviewees said that they occasionally overtime worked 8 hours on Saturdays. For wages issues, all interviewees said that their wages were calculated by hourly-rated and the wages were paid by cash before 5th of each month. Paid annual leave and statutory holiday wage was available for them. For freedom of association issue, all interviewees said they selected 3 employee's representative by 											

themselves. They confirmed that they could complain to their supervisors directly and employees representative or through suggestion box.

9. For Regular Employment issue, all interviewees said that the factory had signed contracts with them and kept the copies.

L: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

The management was cooperative throughout the process of the audit. All requested documents were provided in a timely manner, all necessary areas were allowed access for tour, and a private meeting room was arranged for worker interview. Moreover, the management promised to take corrective actions for non-compliances.

M: Summary of main findings: **(positive and negative)**

(This is a summary not a repeat of the section detail)

The audit findings were based upon factory tour, interview with workers & management and documents & records review.

Summary of Findings (positive and negative):

Compliance Status:

Social responsibility management policy had established in the factory.

Ye Hua Sheng/ Manager was responsible for compliance with the Code.

No child labor was identified during the audit. The youngest worker found was 22 years old born on July 23, 1992 and hired on August 26, 2010.

No forced labor was identified during the audit.

No discrimination was identified during the audit.

The workers could complain to their supervisors directly or through suggestion box or meeting to them directly.

Fire extinguishers were installed at the factory.

The factory paid the wages to all workers on time, payrolls were provided to workers.

Minimum wages and overtime wages of workers were guaranteed.

The normal working hours were 8 hours per day and 40 hours per week. Biometric system was used to record the attendance of workers.

First aid kits were available in the factory. All of the injuries were well recorded.

Fire fight facilities were installed in the factory. Regular examination was taken by the factory.

The factory signed the employment contracts with all workers. A copy had provided to them.

Drinking water and toilets were adequate and available for workers.

Safety training was provided to workers when they were employed. And they will be retrained irregularly.

Best Practices Observed:

Nil

Negative Findings:

In view of the findings raised, below non-compliances were found in the area of Safety. For other areas, no violations were noted.

1. It was noted that the width of 1 out of 2 evacuation staircases of one 2-storey production building was 0.7 meter, which was less than national standard of 1.1 meters.

2. It was noted that no occupational health check of workers who were in contact with noise was provided for review.

Observation observed:

Nil.

Remark:

Nil

Please refer to the details of non-compliances in the individual sections.

Key Information

Key Information		
A: Do all workers (including migrant workers) have contracts of employment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <div style="display: inline-block; vertical-align: top; margin-left: 20px;"> <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence </div>	
D: For the lowest paid production worker, are wages paid for standard hours (excluding overtime) below or above the legal minimum?	Wages found:	Please indicate the breakdown of workforce according to earnings:
	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	_____% of workforce earning under min wage _____% of workforce earning min wage _100 _% of workforce earning above min wage
E: % of piece rate workers: (if applicable)	NA. No piece rate worker in the factory.	
F: Combined hours (standard and overtime) over 60 per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Max. 52 hours.	
G: Are the correct overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
H: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: % of workers living in site provided accommodation (if applicable):	NA. No dormitory was provided	
J: Age of youngest worker found:	The youngest worker found was 22 years old born on July 23, 1992 and hired on August 26, 2010	
K: Workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes _____% of under 18's at this site (out of total workers) <input type="checkbox"/> No NA No young worker was found	
L: 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 3 worker representatives were elected by workers.	
M: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

N: Is It a legal requirement to have a workers committee?

☐ Yes
☒ No

O: Is there any other form of effective worker/management communication channel? <i>(Other than union/worker committee)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Describe: The mainly communication channel was according to suggestion box, worker representatives or supervisors directly.
P: Are there any External Processes?	<input type="checkbox"/> Sub-Contracting <input type="checkbox"/> Homeworking <input type="checkbox"/> Other External Process (detail) <input checked="" type="checkbox"/> No external processes
Management Systems:	
Q: Nationality of Management	China
R: Majority nationality of workers	China
S: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	__10__ %
T: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If not, why not?	NA
In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: No such evidence was identified.

Worker Analysis

Worker Analysis								
	Local			Migrant				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – male	10	0	0	8	0	0	0	18
Worker numbers – female	5	0	0	6	0	0	0	11
Total	15	0	0	14	0	0	0	29
Number of Workers interviewed	4	0	0	6	0	0	0	10

Contractors:

(Individuals supplying workers to site with the workers paid by contractors, not by site)

A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, how many workers supplied by contractors	NA
C: Are all contractor workers paid according to law: (please record evidence)	NA

Migrant Workers:

Please see SMETA Best Practice Guidance - Page 37

D: Originating Locations/Countries:	There were no migrants from different countries but 80% workers were migrants from different provinces of China, such as, Guangxi, Sichuan, Hunan Province and etc.
E: Work undertaken by migrant workers:	The migrant workers work at the management office, cutting workshop, packing workshop and etc. They could access any post in the factory based on their working experience, ability and aspiration.
F: Were migrant workers recruited through an agency?	No

If yes, is there a contract with the agency? Provide details of agencies and contractual arrangements	NA
G: Percentage of migrant workers in company provided accommodation:	NA

Audit Results by Clause

0: Management systems and code implementation:
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>

Evidence of Compliance and Current Status
<i>Please Note: include evidence examined & description of current status.</i>
<p>Documents checked & comments:</p> <ol style="list-style-type: none"> 1. The factory had established an internal audit and supplier assessment program on social responsibility. The factory conducted social accountability assessment to its suppliers. 2. Based on document review, the factory had conducted internal social accountability assessment regularly. <p>Description of Current Status:</p> <ol style="list-style-type: none"> 1. The factory had communicated this Code to all employees and to their suppliers. 2. Based on talking with factory management, they were familiar with local laws and ETI Base Code.

Non-compliance:	
<p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Nil</p> <p>Local law or ETI requirement:</p> <p>Nil</p> <p>Recommended corrective action:</p> <p>Nil</p>	<p>Objective evidence observed:</p> <p>Nil</p>

Observation

Description of observation:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Objective evidence

observed:

Nil

Good Examples observed:

Description of Good Example (GE):

Nil

Objective evidence

observed:

Nil

1: Employment is Freely Chosen

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The factory rules and policies showed that employees could be freely resignation after communication with management in advance 30 days. No deposit would be required.

Description of current status:

1. No force, bonded or involuntary prison labour was observed during the date of audit.
2. The employees obtained their job by themselves or by friend's recommendation.
3. They did not require lodging deposits or their Identity papers to the factory at the beginning of employment.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law:
Nil

Local law or ETI requirement

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Observation

Description of observation:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

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

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

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.

Evidence of Compliance and Current Status:

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. Based on documents review, the factory had established a Worker Committee Management Procedure. It was identified that employee representatives should be elected by employees freely.
2. The election records showed that 3 employee representatives were elected by employees freely.
3. The procedure and meeting records showed that the committee communicated with factory management quarterly. And relevant records were kept by the factory.

Description of current status:

1. The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). As a consequence, all trade unions of factories in China are under the management of ACFTU. And most of the trade union representatives are appointed directly by it. Additionally, the trade union activity is limited on the right to organize and bargain collectively in China. There was no trade union in the factory.
2. Worker representative was selected by employees themselves freely, regularly meeting between employee representatives are carried out monthly and the presentation and communication is effective.
3. Suggest box was available in the factory and all workers can appeal through both worker representatives and suggestion box.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

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

A: Name of union and union representative, if applicable:	NA	
If no union what is parallel means of consultation with workers e.g. worker committees?	3 worker representatives were selected by employees themselves freely. The workers could send their grievances to top managers by suggestion box or meeting to them directly in the factory.	
B: Is there any evidence that this is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	Regularly meeting between employee representatives are carried out monthly, and the presentation and communication is effective.	
C: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If yes what percentage by trade Union/worker representation	_____% workers covered by Union CBA NA	_____% workers covered by worker rep CBA NA
D: Does the Collective Bargaining Agreement (CBA) include rates of pay	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No CBA	

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

3: Working Conditions are Safe and Hygienic

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The factory established a health and safety policy, and a health and safety committee was established in the factory.
2. Huang Bai Tian / Administrative Staff was the representative of health and safety system and he obtained the safety officer certificate.
3. Check records of fire fighting equipments were available on site, it was identified that all fire fighting equipments were checked by safety guards monthly.
4. Fire drill records with photos showed that the factory conducted fire drill twice per year in the factory. The latest fire drill was conducted on March 3, 2014.
5. There was one electrician in the factory. The certificate was provided by the factory for review during the audit.
6. Accident records were kept and provided for review. It was identified that no significant accident was occurred in the factory. For any accident, the factory had conducted root cause analysis / corrective actions / preventive actions.
7. The factory had provided the fire safety certificate and structure safety certificate of factory buildings for review.

Description of current status:

1. There were at least two exits at each floor in the factory.
2. Adequate toilet was provided in the factory.
3. Fire fighting facilities were equipped in the factory.
4. PPE was provided to workers free of charge, and PPE warning sign was posted in place.
5. Adequate first aid kits were equipped in place.
6. Based on observation on site, the lighting was acceptable at each workshop.
7. Based on workers interview, the factory conducted fire drill twice per year in the factory. The latest fire drill was conducted on March 3, 2014.
8. Based on observation on site, potable water was provided for workers at each workshop. Based on workers interview, they could access the potable water freely during working time.
9. Based on observation on site, the all factory buildings were secure.

Non-compliance:

1. Description of non-compliance:

It was noted that the width of 1 out of 2 evacuation staircases of one 2-storey production building was 0.7 meter, which was less than national standard of 1.1 meters.

☒ NC against ETI ☒ NC against Local Law

Local law or ETI requirement:

Article 3.7.5 of the Code for design of building fire protection and prevention (GB50016-2006), the width of the evacuation staircase, passage and doors of each floor in a factory building shall be calculated as follows: no less than 0.6m/100 persons for 1 to 2-story building; no less than 0.8m/100 persons for 3-story building; no less than 1.0m per 100 persons for 4 (and above)-story building. However, the width of the evacuation staircase shall not be less than 1.1 meters, the width of the passage shall not be less than 1.4 meters and the width of doors shall not be less than 0.9 meter. When the number of people on different floors is different, the width of the staircase shall be calculated on per floor basis and the width of the staircase of lower floor shall be calculated on the basis of the upper floor with the greatest number of workers. The width of the external evacuation door on ground floor shall be calculated on the basis of the floor or its upper floor with the greatest number of people. But the minimum width of the evacuation doors shall not be less than 1.2 meters.

ETI Base Code

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

Recommended Corrective Action:

It is recommended that the width of the evacuation staircases is no less than 1.1 meters.

2. Description of non-compliance:

It was noted that no occupational health check of workers who were in contact with noise was provided for review.

☒ NC against ETI ☒ NC against Local Law

Local law or ETI requirement:

PRC Law of Prevention and Control of Occupational Diseases article 36, the employer shall conduct regular occupational health examination for those laborers who are engaged in using or contacting noxious articles in their working process as required by medical administrative department under the State Council. The occupational health examination should be conducted before laborers start to take work post, in the course of the work post and after leave the work post and employer should inform the laborers of the result of the occupational health examinations. The expense of the occupational health examination should be borne by employers. Employer should not arrange laborers without the occupational health examination to be engaged in the work with using or contacting noxious articles, or laborers with any

Objective evidence

observed 1:

Through onsite observation, it was noted that the width of 1 out of 2 evacuation staircases of one 2-storey production building was 0.7 meter, which was less than national standard of 1.1 meters.

Objective evidence

observed 2:

Through management interview, it was noted that no occupational health check of workers who were in contact with noise was provided for review.

occupational prohibitions to be engaged in the prohibited work from them.
Once the occupational health examination indicates that employee is suffering from the occupational disease in relation to his or her occupation, the employer shall transfer such a laborer out of his or her original work post, and allocate him or her in a proper way. Employer should not rescind or terminate the contracts signed with those employees without the occupational health examination at time of leaving the work post.
The occupational health examination should be conducted by the medical organizations authorized by the medical administrative department above province-level.

ETI Base Code

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

Recommended Corrective Action:

It is recommended that the facility shall conduct regular occupational health examination for those laborers who are engaged in using or contacting noxious articles in their working process.

Observation	
Description of observation: Nil Local law or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil

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

4: Child Labour Shall Not Be Used

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The factory had established policy and procedure on prohibiting child labour.
2. Based on recruiting instruction review, all applicants should write register sheets during recruiting, and all information identified in the register sheets should be verified. And HR staff should interview with applicants and check ID cards to verify ages.
3. Based on documents review, the factory kept valid and sufficient age information such as copies of ID card, education certificate or other documents with employment history. And personal files showed that no child labour was identified in the factory. The youngest worker found was 22 years old born on July 23, 1992 and hired on August 26, 2010
4. Based on document review, the factory had provided the health check to all young workers.

Description of current status:

1. Based on observation on site and workers interview, no child labour was identified during the audit. The youngest worker found was 22 years old born on July 23, 1992 and hired on August 26, 2010
2. Based on workers interview, HR staff interviewed with them and checked their ID cards.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
 Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

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

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

5: Living Wages are Paid

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The factory had established policy and procedure on wages and benefits, and it was legal and acceptable. The factory kept and provided payrolls from September 2013 to August 2014 for review during the audit. All workers were paid by hourly-rated, and the minimum wage standard was set at RMB 1130 per month equivalent to RMB6.49 (1130/21.75/8) per hour.
2. Based on payrolls review, the overtime wages of workers were guaranteed.
3. The wages were paid by cash before 30th of each month. Workers did not work overtime on statutory holidays.
4. Based on factory rules review, if the factory rules were broken, relevant workers would be warned and trained.
5. Paid annual leave, marriage & funeral leave and maternity leave were provided for workers.
6. Based on the social insurance receipt of September 2014, the factory provided accident insurance, medical insurance, maternity insurance, unemployment insurance and retirement insurance to 12 employees. Factory obtained one social insurance waiver from local social insurance, which issued on September 23, 2014.
Remark: Factory bought commercial accident insurance for 27 employees.

Description of current status:

1. Based on workers interview, they were paid by hourly-rated, and the wages were paid by cash before 30th of each month. Based on workers interview, the minimum wage standard was set at RMB 1130 per month equivalent to RMB6.49 (1130/21.75/8) per hour.
2. They did not work overtime on statutory holidays.
3. Based on workers interview, the overtime wages of workers were guaranteed.
4. Workers said they would be warned and trained if the factory rules were broken by them.
5. Based on workers interview, the factory provided paid annual leave and other legal benefits for them.
6. Based on workers and management interview, the factory provided detailed pay slips to all workers when they received wages.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
Nil

Local law or ETI requirement:

Objective evidence observed:

Nil

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

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

Wages analysis:		
<p>A: Sample size: <i>(number of wages checked and which weeks or months – please see BPG)</i></p>	<p>10 workers' wages from September 2013 to August 2014 were reviewed during the audit.</p>	
<p>B: Legal minimum wage for standard time: <i>(excluding OT - please include time period e.g. hour/week/month)</i></p>	<p>RMB 1130 per month equivalent to RMB6.49 (1130/21.75/8) per hour since May 1, 2013.</p>	
<p>C: Are there different legal minimum wage grades? If yes, please specify all.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If yes, please give details:</p>
<p>D: Where there are different legal minimum wage grades are all workers graded correctly?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No NA</p>	<p>If no, please give details:</p>
<p>E: What deductions are required by law:</p>	<p>Tax and etc.</p>	

F: Have all of these deductions been made?	Yes
G: Industry norm for this region: <i>(please include time period e.g. hour/week/month)</i>	No information
H: Legal overtime premium for weekdays: <i>(please include time period e.g. hour/week/month)</i>	150% of normal rate
I: Legal overtime premium for rest days: <i>(please include time period e.g. hour/week/month)</i>	200% of normal rate
J: Legal overtime premium for holidays: <i>(please include time period e.g. hour/week/month)</i>	300% of normal rate

Worker Type	Process Operator (Highest paid)	Process Operator (Average paid)	Process Operator (Lowest paid)
Select one worker's records from each "Worker Type" and populate the boxes. Ensure comparison is made for same pay period (peak) and only uses full-time workers. See SMETA Best Practice Guidance for completing this:			
A: Pay period (please include time period e.g. hour/week/month):	March 2014	March 2014	March 2014
B: Anonymous Employee Reference/Dept.	A/production	A/production	A/production
C: Employee Gender	Male	Male	Female
D: Contracted wage (please include time period e.g. hour/week/month):	Hourly-rated	Hourly-rated	Hourly-rated
E: Standard working hours (excluding OT - please include time period e.g. hour/week/month):	168 hours	168 hours	168 hours
F: Standard work pay rate (excluding OT - please include time period e.g. hour/week/month):	RMB 1448.28	RMB 1448.28	RMB 1448.28
G: Standard day overtime – hours (please include time period e.g. hour/week/month):	10	10	10
H: Standard day overtime – wage (please include time period e.g. hour/week/month):	RMB 129.31	RMB 129.31	RMB 129.31
I: Rest day overtime – hours (please include time period e.g. hour/week/month):	32 hours	32 hours	32 hours
J: Rest day overtime – wage (please include time period e.g. hour/week/month):	RMB 551.72	RMB 551.72	RMB 551.72
K: Statutory Holiday overtime – hours (please include time period e.g. hour/week/month):	0	0	0
L: Statutory holiday OT - wages (please include time period e.g. hour/week/month):	0	0	0

M: Total overtime hours <i>(please include time period e.g. hour/week/month):</i>	42 hours	42 hours	42 hours
N: Incentives/Bonus/ Allowances etc. <i>(please include time period e.g. hour/week/month):</i>	RMB 600	RMB 600	RMB 400
O: Gross wages <i>(please include time period e.g. hour/week/month):</i>	RMB 2729	RMB 2729	RMB 2529
P: Social insurance and other deductions	0	0	0
Q: Actual wage paid after deduction <i>(please include time period e.g. hour/week/month):</i>	RMB 2729	RMB 2729	RMB 2529
Comments: (Please state here any specific reasons/circumstances that explain the lowest and highest gross wages)			
The above wage information was based on the attendance and payroll records provided by the factory and workers interview.			
R: Is there a defined living wage: <i>This is not normally legal wage. If answered Y please state amount and source of info: Please see BPG)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time period:		
S: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
T: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Through factory rules review, payroll records review and workers' interview, it was confirmed that equal rates are being paid for equal work.		
U: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer If not explain:		
Actual overtime premium paid in sample for...	[Patterned area]		
V: Weekdays:	150% of normal rate		
W: Rest days:	200% of normal rate		
X: Holidays:	100% of normal rate (All workers did not overtime work on Holidays)		

6: Working Hours are not Excessive

ETI

6.1 Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.

6.2 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The normal working hour system of 8 hours a day, 40 hours a week was carried out in the factory.
2. The attendance records showed that workers worked overtime on Saturdays contingently and rested on Sundays fixed.
3. The factory kept and provided attendance records from September 2013 to the audit day for review during the audit. The attendance records showed that the maximum daily overtime hours, weekly working hours and monthly overtime hours were 2 hours, 52 hours and 42 hours respectively.
4. Based on attendance records review, the all workers had enjoyed one day off per week.

Description of current status:

1. Based on observation on site, the factory used biometric system to record employees' working hours.
2. Based on workers interview, the normal working hour was 8 hours a day and 40 hours a week.
3. All employees were worked in one shift, the working hours is 8:00 to 12:00, 13:30 to 17:30
4. Through workers' interview, overtime is voluntary.
5. Based on workers interview, the all workers had enjoyed one day off per week.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

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

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

Working hours analysis	
Please include time period e.g. hour/week/month	
A: What timekeeping systems are used: time card etc.	biometric system
B: Sample size checked (number of workers): <i>Please see BPG</i>	10 workers from August 2013 to the audit date
C: Legal standard work week (hours): <i>(Excluding OT - please include time period e.g. hour/week/month).</i>	8 hours per day and 40 hours per week
D: Contracted standard work week this site (hours) <i>(excluding OT - please include time period e.g. hour/week/month)::</i>	8 hours per day and 40 hours per week
E: Actual standard work week averaged over sample for full time workers: <i>(excluding OT - please include time period e.g. hour/week/month)</i>	8 hours per day and 40 hours per week
F: Lowest standard hours worked <i>(excluding OT - please include time period e.g. hour/week/month)</i>	8 hours per day and 40 hours per week
G: Highest standard hours worked <i>(excluding OT - please include time period e.g. hour/week/month)</i>	8 hours per day and 40 hours per week

H: Percentage workers on part-time contracts	_0_ % age
I: Legal permitted overtime hours <i>(please include time period e.g. hour/week/month)</i>	3 hours per day and 36 hours per month
J: Any local waivers or permission for annualised hours for this site:	The factory had obtained one written approval for adopting a Comprehensive Working Hours System; the valid period was from August 2014 to July 2014. Working hours were tested for the sampled employees and the total working hours for all tested employees during that period were 1746 to 2374 hours, which did not exceeded the written approval's limit of 2432 hours.
K: Actual overtime hours: (averaged over sample) <i>(please include time period e.g. hour/week/month)</i>	Based on the attendance records provided by the factory: 0.4 hour per day (Weekdays), 10.3 hours per week and 32 hours per month.
L: Range of overtime hours over all workers: <i>(quote highest and lowest please include time period e.g. hour/week/month)</i>	Based on the attendance records provided by the factory: 0-2 hour per day (Weekdays), 8-12 hours per week, 28-42 hours per month.
M: approx % of workers on highest overtime hours:	_90_ %
N: Peak season(s): <i>months</i>	The peak season was not obvious.
Comments: (Please state here any specific reasons/circumstances that explain the highest working hours)	
Nil	

7: No Discrimination is Practiced

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The factory had established policy and procedure on prohibiting discrimination. No evidence of discrimination was found in factory policies, rules, procedures and operation records.
2. According to payrolls, attendance records, termination records and training records review, no evidence showed that discrimination existed in the factory.

Description of current status:

1. According to management interview and worker interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background etc.; female workers and male workers had the same pay and working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement; migrant workers had the same pay for same work and working conditions as the local workers.
2. There was no evidence of sexual harassment.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence

observed:

Nil

Observation

Description of observation:

Nil

Local law or ETI requirement:

Nil

Objective evidence

observed:

Nil

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

8: Regular Employment Is Provided

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. Based labour contracts review, the factory had signed labour contract with all workers.
2. The factory had documented disciplinary rules and communicates to all workers. And the disciplinary rules were fair, reasonable and they met law requirements.

Description of current status:

1. Work performed was on the basis of recognized employment relationship established through national law and practice.
2. The factory signs labour contracts with workers within 30 days after employment. According to worker interview, they had the copies of labour contracts.
3. No homework were arranged, no apprenticeship schemes were practiced in this factory.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Observation

Description of observation:

Nil

Local law or ETI requirement:

Objective evidence observed:

Nil

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

8A: Sub-Contracting and Homeworking:

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

The subcontractor control policy was established in the factory.

Description of current status:

No subcontractor was used by the facility.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

Nil

☐ NC against Local Law

Local law or ETI /Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Observation

Description of observation:

Nil

Local law or ETI/Additional elements requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

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

Summary of sub-contracting – if applicable	
A: Number of sub-contractors/agents used	0
B: Is there a site policy on sub-contracting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, summarise details: The sub-contractor policy which included the social accountability requirements has been communicated to sub-contractors.
C: What checks are in place to ensure no child labour is being used and work is safe?	NA
D: What processes are sub-contracted?	NA

Summary of homeworking – if applicable			
E: Number of homeworkers	Male: Nil	Female: Nil	Total: Nil
F: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents N/A		
G: If through agents, number of agents	N/A		
H: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A		
I: How does site ensure worker hours and pay meet local laws for homeworkers?	N/A		
J: What processes are carried out by homeworkers?	N/A		
K: Are written agreements in place for homeworkers that include regular employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A		
L: Are full records available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A		

9: No Harsh or Inhumane Treatment is Allowed

ETI

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

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. No evidence of harsh or inhumane treatment was found in factory rules.

Description of current status:

1. The duties of security guards were to protect safety of factory's property, to regularized entrance/exit of goods/ vehicles/ employees/ visitors. No negative evidence of mental/ physical coercion was identified.
2. There was no evidence of sexual harassment.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
Nil

Local law or ETI requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Observation

Description of observation:

Nil

Local law or ETI requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

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

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

Additional Elements

10A1 Only workers with a legal right to work shall be employed or used by the supplier.
 10A2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.
 10A3 employment agencies must only supply workers registered with them.
 10A4 the supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. No employment agency was used by the factory.

Description of current status:

1. The factory recruited the new workers by the advertisements or the employees' recommendation.
2. All workers would be reviewed and validated the original documentation before they employed.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

Nil

☐ NC against Local Law

Local law or ETI /Additional Elements requirement:

Nil

Recommended corrective action:

Nil

Objective evidence observed:

Nil

Observation

Description of observation:

Nil

Local law or ETI/Additional Elements requirement:

Nil

Comments:

Nil

Objective evidence observed:

Nil

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

10. Other issue areas 10 B 2: Environment 2-pillar

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.

Evidence of Compliance and Current Status

Please Note: include evidence examined & description of current status.

Documents checked & comments:

1. The factory had established policy and procedure and environmental protection. And the factory provided training for workers on environmental protection.
2. Based on document review, the factory had conducted EIA and obtained approval.

Description of current status:

1. Based on observation on site, wastes were classified and collected on site.
2. Based on workers interview, they were trained on environmental protection.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements
Nil

☐ NC against Local Law

Objective evidence observed:
Nil

Local law or ETI /Additional Elements requirement:
Nil

Recommended corrective action:
Nil

Observation

Description of observation:
Nil

Local law or ETI /additional elements requirement:
Nil

Comments:
Nil

Objective evidence observed:

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

Worker Interview Summary

Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: <i>Please specify number and size of groups. Please see BPG</i>	1 group and total 4 workers	
D: Number of individual interviews <i>Please see BPG</i>	Male: 2	Female: 4
E: Number of interviewed workers <i>Please see BPG</i>	Male: 5	Female: 5
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	No worker complained anything during the interview.	
I: What did the workers like the most about working at this site?	All workers said that they were satisfied with working condition and working hours.	
J: Any additional comment(s) regarding interviews:	Nil	

Agency Workers (workers sourced from a local agent who are not directly paid by the site)	
A: Number of agencies used (average):	NA No agencies was used by the factory
B: Were agency workers' age/pay/hours included within scope of this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Other findings

Other Findings Outside the Scope of the Code
Nil


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

Photo Form



Best Practice Photos:

Nil	Nil	Nil
N/A	N/A	N/A

Non compliance Photos:

	<i>nil</i>	<i>nil</i>
Width of staircase was only 0.7 meter		

General Site Tour Photos:

		
Factory name	Main entrance	Production building

		
Toilet	Emergency light and exit sign	Evacuation plan
		
Fire extinguishers	Fire hydrant	Fire alarm
		
Drinking water	Time recorder	Suggestion box

		
First aid kit	Finished goods warehouse	Material warehouse
		
Cutting	Packing	Insurance waiver
		Nil
CWHS waiver	CWHS waiver	

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 A & AB members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

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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:

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