Sedex Members Ethical Trade Audit Report

Version 6.1

Audit Details			
Sedex Company Reference: *(only available on Sedex System)*	ZC419879342	Sedex Site Reference: *(only available on Sedex System)*	ZS419966615
Business name (Company name):	CHENXING PACKAGING TECHNOLOGY(HUIZHOU)CO LIMITED		
Site name:	CHENXING PACKAGING TECHNOLOGY(HUIZHOU)CO LIMITED		
Site address:	NO 3 Mi Tang Li 2nd Road Shi Wei Village,Economic Development Zone, Hui Yang District, Huizhou City, Guangdong province 广东省惠州市惠阳区经济开发区拾围村米塘沥二路3号 广东省惠州市 516223 CN	Country:	CN
Site contact and job title:	Ms. Yi Xiao Mao / Manager		
Site phone:	13544829965	Site e-mail:	174447961@qq.com
SMETA Audit Pillars:	☑ Labour Standards ☑ Health and Safety (plus Environment 2-Pillar)	☑ Environment 4-pillar ☑ Business Ethics	
Date of Audit:	2024-07-15		

Audit Company Name:
Insite Compliance LLC

Audit Conducted By					
Affiliate Audit Company	☑	Purchaser	☐	Retailer	☐
Brand owner	☐	NGO	☐	Trade Union	☐
Multi-stakeholder	☐		Combined Audit (select all that apply)		

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

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

2-Pillar SMETA Audit

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

4-Pillar SMETA

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

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

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

SMETA Declaration

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

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

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

Auditor Team			
Lead Auditor:	Octer Dong	APSCA Number:	21704271
Additional Auditors:			
Date of declaration:	2024-07-16		

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

Site Representation	
Full Name:	Ms. Yi Xiao Mao
Title:	Manager
Date of declaration:	2024-07-16
Comments: *Any exceptions to this must be recorded here (e.g. different sample size):* *Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).* *The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives*	
N/A	

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause)	Area of Non–Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic	3.1 3.1 3.1 3.1 3.1	§1 §2 §3 §4 §5	5	0	0	NC - ZAF600545096 NC - ZAF600545097 NC - ZAF600545098 NC - aaf30fea-7a00-4e93-8aa4-386ad2c99913 NC - 6f15cc97-08f8-4cac-be77-fd9695b67369
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid			0	0	0	
6 - Working hours are not excessive			0	0	0	
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2–pillar			0	0	0	
10B4 - Environment 4–pillar			0	0	0	
10C - Business ethics 4-pillar			0	0	0	

Local Law Issues

Issue	Description
§1	In accordance with Article 5.1.2 of the General Guide for Safety of Electric User (GB/T13869-2017), electric circuit in use must have sufficient insulation strength, mechanical strength and conductive capability and the installation of which should meet the standards for corresponding electrical devices. 根据《用电安全全导则GB/T13869-2017》第5.1.2条：用电产品的电气线路须具有足够的绝缘强度、机械强度和导电能力，其安装应符合相应产品标准的规定。

§2	In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place: (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed. 根据《工作场所安全使用化学品规定》第14条：(1)使用单位购进的化学品需要转移或分装到其他容器时，应标明其内容。对于危险化学品，在转移或分装后的容器上应贴安全标签；(2)盛装危险化学品的容器在未净化处理前，不得更换原安全标签。
§3	In accordance with article 20 of Regulation for Safety of Hazardous Chemical, an entity producing or storing hazardous chemicals shall, according to the category and dangerous properties of the hazardous chemicals it produces or stores, set up monitoring, controlling, ventilation, sun-proof, temperature-controlled, fireproof, firefighting, blast-proof, pressure discharging, poison-proof, neutralizing, moisture-proof, lightening-proof, static-proof, antisepsis, and anti-leakage safety facilities or equipment, such as protection dams and segregated operations, etc. at the work places, and maintain them on a routine basis according to the national standards, industrial standards or relevant state provisions so as to guarantee the normal functioning thereof.根据《危险化学品安全管理条例》第20条 生产、储存危险化学品的单位，应当根据其生产、储存的危险化学品的种类和危险特性，在作业场所设置相应的监测、监控、通风、防晒、调温、防火、灭火、防爆、泄压、防毒、中和、防潮、防雷、防静电、防腐、防泄漏以及防护围堤或者隔离操作等安全设施、设备，并按照国家标准、行业标准或者国家有关规定对安全设施、设备进行经常性维护、保养，保证安全设施、设备的正常使用。
§4	•In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place: (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed. 根据《工作场所安全使用化学品规定》第14条：(1)使用单位购进的化学品需要转移或分装到其他容器时，应标明其内容。对于危险化学品，在转移或分装后的容器上应贴安全标签；(2)盛装危险化学品的容器在未净化处理前，不得更换原安全标签。
§5	•In accordance with article 20 of Regulation for Safety of Hazardous Chemical, an entity producing or storing hazardous chemicals shall, according to the category and dangerous properties of the hazardous chemicals it produces or stores, set up monitoring, controlling, ventilation, sun-proof, temperature-controlled, fireproof, firefighting, blast-proof, pressure discharging, poison-proof, neutralizing, moisture-proof, lightening-proof, static-proof, antisepsis, and anti-leakage safety facilities or equipment, such as protection dams and segregated operations, etc. at the work places, and maintain them on a routine basis according to the national standards, industrial standards or relevant state provisions so as to guarantee the normal functioning thereof.根据《危险化学品安全管理条例》第20条 生产、储存危险化学品的单位，应当根据其生产、储存的危险化学品的种类和危险特性，在作业场所设置相应的监测、监控、通风、防晒、调温、防火、灭火、防爆、泄压、防毒、中和、防潮、防雷、防静电、防腐、防泄漏以及防护围堤或者隔离操作等安全设施、设备，并按照国家标准、行业标准或者国家有关规定对安全设施、设备进行经常性维护、保养，保证安全设施、设备的正常使用。

Site Details

Site Details			
Company Name	CHENXING PACKAGING TECHNOLOGY(HUIZHOU)CO LIMITED		
Site Name	CHENXING PACKAGING TECHNOLOGY(HUIZHOU)CO LIMITED		
GPS location (if available)	**GPS Address:**	N/A	
	Coordinates:	N/A	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business license: 91441381MA7FMK93X6, valid from January 14, 2022 to long term		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	carton box		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	Chenxing Packaging Technology (Huizhou) Co., Ltd was located at Factory building, Hong Wei Village, Xin Wei Town, Hui Yang District, Huizhou City, Guangdong province, and moved to NO 3 Mi Tang Li 2nd Road Shi Wei Village,Economic Development Zone, Hui Yang District, Huizhou City, Guangdong province on May 11, 2024. Total 27 employees been employed in the factory including 6 managements employees. The facility only occupied by one 1-storey production building and one 5-story office and dormitory building, which is around 8400 square meters. The rest areas were occupied by other factories. As per onsite observation, documents review, management and workers interview, the audited factory did not have any relations with other factories.		
Structure and number of buildings	**Building Name:**	Production building	
	Floor	**Description**	**Remark**
	1	All production workshop and warehouse	N/A
	Building Name:	Office building	
	Floor	**Description**	**Remark**
	1	Office	N/A
	2	Meeting rooms	N/A
	3 to 5	Dormitory bedrooms	N/A
Visible structural integrity issues (large cracks) observed?	☐ Yes ☑ No Please give details: No cracks or other structural issue was found in this audit, all buildings were kept in good conditions.		
Does the site have a structural engineer evaluation?	☑ Yes ☐ No Please give details: The facility provided the acceptance inspection report of construction for review.		

Site function	☐ Agent ☑ Factory Processing/Manufacturer ☐ Finished Product Supplier ☐ Grower ☐ Homeworker ☐ Labour Provider ☐ Pack house ☐ Primary Producer ☐ Service Provider ☐ Sub-contractor
Months of peak season	Select a month to Select a month
Process overview	Printing, cutting, die-cutting, handworking, QC, packing
What form of worker representation is there on site?	☐ Union ☑ Worker Committee ☐ Other ☐ None
Please give details:	Worker committee
Is there any night production work at the site?	☐ Yes ☑ No
Are there any on site provided worker accommodation buildings	☑ Yes ☐ No Please give details: There was a office and dormitory building onsite
Are there any off site provided worker accommodation buildings	☐ Yes ☑ No Please give details:
Were all site provided accommodation buildings included in this audit	☑ Yes ☐ No Please give details:

Audit Parameters				
Time in and time out	Day 1		Day 2	
	In	09:20	In	09:25
	Out	17:20	Out	12:35
Audit type:	PERIODIC			
Was the audit announced?	ANNOUNCED			
Was the Sedex SAQ available for review?	Yes			
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No			
Who signed and agreed CAPR	Ms. Yi Xiao Mao / Manager			
Is further information available	No			

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	There was no union in the facility		
Reason for absence during the audit	There was no union in the facility		
Reason for absence at the closing meeting	There was no union in the facility		

Worker Analysis

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

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	0	0	0	13	0	0	0	13
Worker numbers – female	1	0	0	7	0	0	0	8
Total	1	0	0	20	0	0	0	21
Number of Workers interviewed – male	0	0	0	8	0	0	0	8
Number of Workers interviewed – female	1	0	0	2	0	0	0	3
Total – interviewed sample size	1	0	0	10	0	0	0	11

Nationalities Structure		
Nationality of Management	Chinese	
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Chinese approx %: 100%	
Was this list completed during peak season?	☑ Yes ☐ No Please give details:	
Worker remuneration	Workers on piece rate:	0%
	Paid hourly:	100%
	Salaried:	0%
Payment cycle	Paid daily:	0%
	Paid weekly:	0%
	Paid monthly:	100%
	Other:	0%
	Details for other:	N/A

Worker Interview Summary	
Were workers aware of the audit?	☐ Yes ☑ No
Were workers aware of the code?	☑ Yes ☐ No
Number of group interviews:	1 group with 5 workers
Number of individual interviews:	Male: 3 Female: 3
All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors.	☑ Yes ☐ No Please give details:
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	☑ Yes ☐ No
In general, what was the attitude of the workers towards their workplace?	☑ Favorable ☐ Non-favourable ☐ Indifferent
What was the most common worker complaint?	No complaint reported.
What did the workers like the most about working at this site?	The wages and working hours are appropriate. The facility management treated them well.
Any additional comment(s) regarding interviews:	Workers are happy to work at this facility and they said the facility management is kind to them.
Attitude of workers to hours worked:	Interviewees represented that the working hour was reasonable and overtime work was voluntary.
Is there any worker survey information available?	☐ Yes ☑ No Please give details:

Attitude of workers:
11 workers (3 females and 8 males) were selected from different departments. Out of 11 workers, 6 workers were interviewed individually in workshop and meeting room, and 5 workers were interviewed in one group in meeting room with the intent of making them more comfortable. All workers said they are happy to work at the facility and that they were satisfied with the current wage's payment. They had good relationships with their supervisors and managers who treated them with respect. They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions are workable. All the interview workers said that the payment is on time.
Attitude of worker's committee/union reps:
As per factory information, no union established in the factory, but a worker committee was available in factory and there was two member for worker committee. They were cooperative during the interview process, and all the interviewees did not raise any positive and negative comment with the management and the working condition.
Attitude of managers:
The facility management was positive in collaboration during the audit. All documents were provided timely as per request. The facility management gave the full access to all necessary areas for tour, and a private room was arranged for employees' interview.

0A - Universal Rights covering UNGP [Summary of Findings]
0A: Compliance Requirements 0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers. 0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights 0.A.3 Businesses shall identify their stakeholders and salient issues. 0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights. 0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation. 0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
1.This facility has established relevant policy and endorse at the highest level to cover the human right impacts and issues, and such policy had been communicated ta all appreciate parties, including its own suppliers. 2.The facility has a designated person Ms. Yi Xiao Mao/ Manager to be responsible for implementing standard concerning human rights.
Evidence examined:
1.Policies regarding human rights issues were provide for reviewed. 2.Appointment letters to enhance the implementation of human rights issues. 3.Training records provided for employees communication and acknowledgment. 4.Management interview and employees' interview.
Any other comments:
Nil

Policy statement that expresses commitment to respect human rights?	☑ Yes ☐ No Please give details: Human rights will be respected in the whole facility.
Are the policies included in workers' manuals?	☑ Yes ☐ No Please give details: The policy included in workers' manual
Does the business have a designated person responsible for implementing standards concerning Human Rights?	☑ Yes ☐ No Please give details: Mr. Yi Xiao Mao / Manager

Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	☑ Yes ☐ No Please give details: Suggestion box is in place and grievance channel policy & procedure was posted at workshop. Factory has also provided grievance training to office staff, supervisors and workers. They opened the suggestion box on monthly basis, and the suggestions / compliant would be handled by HR staff immediately, However, factory didn't receive any grievance case so far.
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	☑ Yes ☐ No
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	☑ Yes ☐ No Please give details: relevant training regarding privacy procedure would be provided to employees when they joined the facility.
Measuring Workplace Impact	
Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))	Last year 10.0% This year 10.0%
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	5.0%
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year 0.0% This year 0.0%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month)	0.0%
Are accidents recorded?	☑ Yes ☐ No Please give details: Management keeps a record of any accidents. According to the records and interview with employees, only small cases such as finger cut was occurred in the audited facility.

Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year This year	0.0% 0.0%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	0.0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year This year	0.0% 0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month 12 month	0.0% 0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month 12 month	0.0% 0.0%

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

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•Responsibility for meeting the legal and client code requirements is shared between the HR Supervisor and the Manager. Together they are responsible to the general manager for ensuring the standards are met. •Ensuring that licenses and business permissions are up to date is the responsibility of the HR department. •Overall responsibility for meeting the standards is taken by the Ms. Yi Xiao Mao/ Manager •There is an internal audit team for quality who in addition take on the role for internal audit of the social standards of the facility and they report to Admin Supervisor to report their findings. •Implementation of any necessary changes is then given to the individual department heads after agreement with the General Manager. This system is effective. •There is no certification at the site.
Evidence examined:
•Internal audit documents dated June 14, 2024. •ETI code posted in Chinese on the notice board. •A manual created by the facility which contained all required documents and all appropriate procedures for meeting the ETI code and the legal requirements.
Any other comments:
Nil

Management Systems	
In the last 12 months, has the site been subject to any fines/prosecutions for non–compliance to any regulations?	☐ Yes ☑ No Please give details: N/A, no any fine/prosecution in past year.
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	☑ Yes ☐ No Please give details: Factory established a policies and procedures that reduce the risk of forced labour, child labour, discrimination harassment & abuse.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	As per documents review, it was noted that there were written polices for child labour and against discrimination and procedures for prohibit forced labour and harassment & abuse in the factory. In additional, factory also provided the related training for managers and workers.

Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	☑ Yes ☐ No Please give details: The training records were provided for review. It was showed that management and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse on March 28, 2024.
If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	☑ Yes ☐ No Please give details: As per factory provided the training records, it was noted that factory trained all employees on the procedures for forced labour, child labour, discrimination, harassment & abuse before they started to work. In additional, factory also provided the regular or refreshing training about the forced labour, child labour, discrimination, harassment & abuse for all employees including managers and workers at least once per year, the latest training date was March 28, 2024.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	☐ Yes ☑ No Please give details: N/A
Is there a Human Resources manager/department?	☑ Yes ☐ No There was one staff in HR department.
Is there a senior person /manager responsible for implementation of the code?	☑ Yes ☐ No Please give details: Ms. Yi Xiao Mao(Manager)
Is there a policy to ensure all worker information is confidential?	☑ Yes ☐ No Please give details: the factory established a policy to ensure all workers information confidential.
Is there an effective procedure to ensure confidential information is kept confidential?	☑ Yes ☐ No Please give details: All workers' information is kept as confidential manner in HR department.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	☑ Yes ☐ No Please give details: the risk assessment document had provided for review.
Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	☑ Yes ☐ No Please give details: the factory established the procedure.
Does the facility have a policy/code which require labour standards of its own suppliers?	☑ Yes ☐ No Please give details: the factory had the policy / code posted on the wall that require labour standards of its own suppliers.

Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	☑ Yes ☐ No Please give details: The site showed the auditor their leasing agreement with the copy of real estate certificate in original form records. All required land rights licenses were provided. Like the report of inspection for completed building construction projects and the certificate of inspection for completed building construction projects etc.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	☑ Yes ☐ No Please give details: During management interview, the facility was aware of local and national and international laws and requirements with regards to Land Rights.
Does the site have a written policy and procedures specific to land rights?	☐ Yes ☑ No Please give details: N/A
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	☑ Yes ☐ No Please give details: This was conducted by the local governmental authority and the owner purchased the lease according to legal channels, overseen by company legal advisors.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	☑ Yes ☐ No Please give details: This area where the factory located was assigned as industry usage by governmental department.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	☐ Yes ☑ No Please give details: All the areas of factory were legal according to the interview and document review.

1 - Freely chosen Employment [Summary of Findings]
1: Compliance Requirements 1.1 There is no forced, bonded or involuntary prison labour. 1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•A policy which prohibits forced labour was available for review. •A non-formalised application states that workers must present their ID's for proof of age but that only copies must be kept in the personnel files and the original given back to the workers. •The employee handbook – given to new joiner's states that: Workers can leave with 3 days' notice with no penalty when in probation period but once permanent (this is out of probation) they must give one month written notice. •They will be given their full wages on their last day of work. •The workers are free to leave the workplace outside of their working hours. •The above was confirmed by management and the employees' interview.
Evidence examined:
•Based on the documents review and workers interview, there was no bonded or involuntary prison labour in the factory and workers are free to leave their employment after reasonable notice. Factory established the procedures for prohibit used prison labour and forced labour. •The facility's policy to ensure employment is freely chosen was reviewed. The policy includes the following clause: the facility does not require deposit or withhold employees' ID cards; the facility does not limit the employees' freedom; there is no forced, bonded or involuntary prison labour; and employees are free to leave their employer after reasonable notice. •Labour contracts with notice periods •Training of forced, bonded or involuntary prison labour for all employees at the time employee, and re-fresh training was conducted once per year for all employees. The last training was on March 28, 2024. •As per workers interview, it was noted that they are free to leave their working stations once their shifts end and it was full access to toilet and drinking water at working time; all overtime workings were voluntary; and they are not required to pay any 'deposits' or leave their ID cards.
Any other comments:
Nil

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	☐ Yes ☑ No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	☐ Yes ☑ No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	☐ Yes ☑ No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	☐ Yes ☑ No Please give details: N/A

If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement?	☐ Yes ☐ No ☑ Not Applicable Please give details: N/A
Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	☐ Yes ☑ No Please give details: N/A
Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	☑ Yes ☐ No ☐ Not Applicable Please give details: the facility through supplier monitoring policy or procedure to control the risk of forced / trafficked / bonded labour in its supply chain.
Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	☑ Yes ☐ No Please give details: The facility has conducted period check and risk assessment to reduce the risk of forced labour.

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

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•The facility has a written policy of freedom of association and right to collective bargaining. The policy states that the workers are free to form or join trade union or workers' organisation and enjoy the right to collective bargaining, and nobody will be treated differently if they are members of the trade union or workers' organisation, etc. •The facility has a written policy about suggestions and appeals, which states that workers can raise their concerns or appeals through trade union representatives, EHS committee representatives, telephone, suggestion box, and their team leaders or above. •There was no trade union in the facility. •One worker committee with two worker representative was established in the factory, and two worker representative attended the opening and closing meetings in the audit. •The interviewed workers confirmed that they were free to join trade union or workers' organisation and enjoy the right to collective bargaining. •The interviewed worker representative confirmed that the facility did not interfere in their activities and did not discriminate the worker representatives. •The response records for workers' suggestions and appeals were available for review. •No collective bargaining agreement in place.
Evidence examined:
•Policy of freedom of association and right to collective bargaining •Policy about suggestions and appeals •Worker representatives' selection records and meeting records •Response records for workers' suggestions and appeals •Interviews with worker representative, management and workers
Any other comments:
Nil

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	☐ Union ☑ Worker Committee ☐ Other ☐ None
Other details:	Worker committee
Is it a legal requirement to have a union?	☐ Yes ☑ No
Is it a legal requirement to have a worker's committee?	☐ Yes ☑ No

Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	☑ Yes ☐ No Please give details: As per collected information, communication channel between the workers and management included face to face interview, suggestion box and meeting etc.
Is there evidence of free elections?	☑ Yes ☐ No
Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	☑ Yes ☐ No Please give details: There was a room available for the worker's committee to meet and the members were allowed to have a meeting at any times if they needed.
Name of union and union representative, if applicable:	Worker committee
Is there evidence of free elections?	☑ Yes ☐ No ☐ Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Worker committee
Is there evidence of free elections?	☑ Yes ☐ No ☐ Not Applicable
Are all workers aware of who their representatives are?	☑ Yes ☐ No Please give details: N/A
Were worker representatives freely elected?	☑ Yes ☐ No
Date of last election:	2023-10-10
Do workers know what topics can be raised with their representatives?	☑ Yes ☐ No
Were worker representatives/union representatives interviewed?	☑ Yes ☐ No
If Yes, please state how many:	2.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	There is no union established in the factory. Worker representatives and committee were available at the facility. Two member for worker committee. They conducted the meeting regularly and the last meeting was conducted on June 16, 2024. The main topics for the worker committee meeting were in regard to discipline and EHS issue etc.
Are any workers covered by Collective Bargaining Agreement (CBA)?	☐ Yes ☑ No

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

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
1.General Health and Safety management •Ms. Yi Xiao Mao / Manager is responsible for Health & Safety in the facility. •Potable water was freely available in all areas and test certificates were up-to-date. •Sufficient clean toilets segregated by gender were available at all times to workers. •Ventilation, temperature and lighting were adequate for the production processes. •Minutes of meetings show quarterly meetings between the H&S committee (workers) and the H&S manager, and each point is acted on. 2. Fire Safety •There were at least 2 exits from each work area and these were clearly marked. •Fire-fighting equipment was adequate and checks were up-to-date. •Evacuation maps were posted in all areas and understood by all workers interviewed. •Fire drills were organised and recorded every 6 months. •Training had been given by the Ms. Yi Xiao Mao /Manager. 3. Electrical safety •All electrical equipment was in good condition such as sockets, plugs, switches and main fuse boards. •There were competent electricians at the facility and their training certificates were available for review. 4. Chemical safety •Some chemicals were not posted with safety labels or provided with secondary containers. •Material Safety Data Sheets were available for chemicals and there were hazard diagrams on any chemicals which needed careful handling. •Workers in the chemical store confirmed that they had been trained on correct handling procedures as well as what to do in an emergency. 5. Medical services •There were adequate first aid kits in each production area and they were well stocked. There were 2 first aiders and when a selection was interviewed, they confirmed they had been trained at a local hospital. •First aid supplies use records were documented.
Evidence examined:

•Health and safety policy •Health and safety manual •Health and safety committee minutes •Training records and certificates •Fire equipment maintenance records •Fire drill records •Government licenses and checks on air quality and noise level •Building structure safety certificate •Trained first aider register •Accident reports •Chemical list and MSDS for each chemical •Potable water testing certificates •Interviews with H&S responsible person •Interviews with workers and H&S committee members
Any other comments:
Nil

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	☑ Yes ☐ No Please give details: the factory had established the general Health & Safety and occupational Health & Safety policies and procedures, and they posted on the workshop for workers review.
Are the policies included in workers' manuals?	☑ Yes ☐ No Please give details: the workers' manual had included the relate policies.
Are there any structural additions without required permits/inspections (e.g. floors added)?	☐ Yes ☑ No Please give details: No change for the buildings.
Are visitors to the site informed on H&S and provided with personal protective equipment?	☑ Yes ☐ No Please give details: The policy was available and well implementation.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	☐ Yes ☑ No Please give details: No medical room or medical facility provided for workers. There were adequate first aid kits in each production area and they were well stocked.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	☑ Yes ☐ No Please give details: There were 2 trained employees were designated as first responders by qualified trainers, employees adequately notified of who the dedicated first responders are, as the first responders' information were posted near the first aid kits in the workshops.

Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	☐ Yes ☑ No Please give details: N/A
Is secure personal storage space provided for workers in their living space and is fit for purpose?	☑ Yes ☐ No Please give details: In the dormitory room
Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	☑ Yes ☐ No Please give details: The facility provides lunch break to workers, also if workers need to overtime on regular workday, the employees will take the supper before they started to work.
Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	☑ Yes ☐ No Please give details: Facility has a comprehensive written environmental management system that ensures compliance with local laws and regulations governing the environment protection and obtained all required permits for use and disposal of natural resources.
Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	☑ Yes ☐ No Please give details: As per document review, the facility had established hazardous substance management procedure and chemical management procedure to control the risks of chemicals and hazardous substances. The evaluation and approval for new purchase chemicals was established in the facility. The suppliers should submit the MSDS, third party testing report to indicating no hazardous substance included before selected as qualified suppliers. These suppliers also should sign declaration for no hazardous substance included. Facility had established the hazardous and non-hazardous waste inventory was reviewed annually. They had conducted regular training for workers responsible for hazardous waste handling and disposal. As per factory management, they had set the hazardous waste minimization plan annually.

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600545096
Clause	3 - Working Conditions are Safe and Hygienic
Issue Title	224 - Isolated occurrence of incorrect / damaged insulation in electricals including burnt / damaged wiring and plugs
Subcategory	Electrical risk
New or carried over?	☐ New ☑ Carried Over
Raised by audit	ZAA600019400
Root cause	☑ Training ☐ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	In accordance with Article 5.1.2 of the General Guide for Safety of Electric User (GB/T13869-2017), electric circuit in use must have sufficient insulation strength, mechanical strength and conductive capability and the installation of which should meet the standards for corresponding electrical devices. 根据《用电安全导则GB/T13869-2017》第5.1.2条：用电产品的电气线路须具有足够的绝缘强度、机械强度和导电能力，其安装应符合相应产品标准的规定。
ETI 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.
Explanation to the non compliance	It was noted that 1 electrical box in the workshop on 1/F of production building was not equipped with inner insulation cover for protective device. 审核员发现工厂生产大楼一楼车间有1个电箱没有绝缘内盖保护装置。
Follow up method	☐ Follow up audit ☑ Desktop audit
Timescale	☐ Immediate ☑ 30 days ☐ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that management adopt

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	practices and controls to ensure that all electrical equipments are properly insulated to avoid hazard of electrical shock. 建议工厂对电线安装足够的保护装置，防止电线裸露。	

Non-Compliance	Evidence
[Back to findings summary]	 WechatIMG4575.jpeg

Non-Compliance	
Status	OPEN
Reference	ZAF600545097
Clause	3 - Working Conditions are Safe and Hygienic
Issue Title	232 - Non-hazardous chemicals are stored unlabelled or labelling is incorrect
Subcategory	Chemicals
New or carried over?	☐ New ☑ Carried Over
Raised by audit	ZAA600019400
Root cause	☑ Training ☐ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place: (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed. 根据《工作场所安全使用化学品规定》第14条：(1)使用单位购进的化学品需要转移或分装到其他容器时，应标明其内容。对于危险化学品，在转移或分装后的容器上应贴安全标签；(2)盛装危险化学品的容器在未净化处理前，不得更换原安全标签。
ETI 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.
Explanation to the non compliance	It was noted that the printing oil containers being used in the printing workshop were not posted with a safety label. 审核员发现印刷车间正在使用的盛装油墨的容器没有张贴安全标签。
Follow up method	☐ Follow up audit ☑ Desktop audit

Timescale	☐ Immediate ☑ 30 days ☐ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that management adopt practices and controls to ensure that all hazardous chemicals stored or being used in the facility is posted with safety labels. 建议所有在工厂内储存和使用的危险化学品都有张贴安全标签, 标签的内容要完整。

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600545098
Clause	3 - Working Conditions are Safe and Hygienic
Issue Title	240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)
Subcategory	Chemicals
New or carried over?	☐ New ☑ Carried Over
Raised by audit	ZAA600019400
Root cause	☑ Training ☐ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	In accordance with article 20 of Regulation for Safety of Hazardous Chemical, an entity producing or storing hazardous chemicals shall, according to the category and dangerous properties of the hazardous chemicals it produces or stores, set up monitoring, controlling, ventilation, sun-proof, temperature-controlled, fireproof, firefighting, blast-proof, pressure discharging, poison-proof, neutralizing, moisture-proof, lightening-proof, static-proof, antisepsis, and anti-leakage safety facilities or equipment, such as protection dams and segregated operations, etc. at the work places, and maintain them on a routine basis according to the national standards, industrial standards or relevant state provisions so as to guarantee the normal functioning thereof.根据《危险化学品安全管理条例》第20条 生产、储存危险化学品的单位，应当根据其生产、储存的危险化学品的种类和危险特性，在作业场所设置相应的监测、监控、通风、防晒、调温、防火、灭火、防爆、泄压、防毒、中和、防潮、防雷、防静电、防腐、防泄漏以及防护围堤或者隔离操作等安全设施、设备，并按照国家标准、行业标准或者国家有关规定对安全设施、设备进行经常性维护、保养，保证安全设施、设备的正常使用。
ETI 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.

Evidence:

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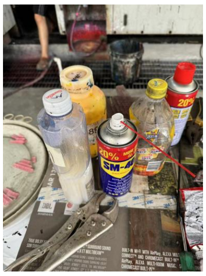
Explanation to the non compliance	It was noted that there was no anti-leakage facility (e.g. secondary container) in the printing workshop for printing oil. 审核员发现工厂没有为存放在印刷车间的油墨设置防渗漏设施/二次容器。
Follow up method	☐ Follow up audit ☑ Desktop audit
Timescale	☐ Immediate ☑ 30 days ☐ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that management adopt practices and controls to ensure that the anti-leakage facility (e.g. secondary container) is used for chemicals. 建议工厂为化学品设置防渗漏设施/二次容器。

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	aaf30fea-7a00-4e93-8aa4-386ad2c99913
Clause	3 - Working Conditions are Safe and Hygienic
Issue Title	232 - Non-hazardous chemicals are stored unlabelled or labelling is incorrect
Subcategory	Chemicals
New or carried over?	☑ New ☐ Carried Over
Root cause	☐ Training ☑ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	•In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place: (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed. 根据《工作场所安全使用化学品规定》第14条：(1)使用单位购进的化学品需要转移或分装到其他容器时，应标明其内容。对于危险化学品，在转移或分装后的容器上应贴安全标签；(2)盛装危险化学品的容器在未净化处理前，不得更换原安全标签。
ETI 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.
Explanation to the non compliance	It was noted that the white glue was filled in the drinking bottle and put in the printing workshop without a safety label. 审核员发现印刷车间使用的白胶放在饮料瓶中没有张贴安全标签。
Follow up method	☐ Follow up audit ☑ Desktop audit
Timescale	☐ Immediate ☑ 30 days ☐ 60 days



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	☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that management adopt practices and controls to ensure that all hazardous chemicals stored or being used in the facility is posted with safety labels. 建议所有在工厂内储存和使用的危险化学品都有张贴安全标签, 标签的内容要完整。

Non-Compliance	Evidence
[Back to findings summary]	

Non-Compliance	
Status	OPEN
Reference	6f15cc97-08f8-4cac-be77-fd9695b67369
Clause	3 - Working Conditions are Safe and Hygienic
Issue Title	240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)
Subcategory	Chemicals
New or carried over?	☑ New ☐ Carried Over
Root cause	☐ Training ☑ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	•In accordance with article 20 of Regulation for Safety of Hazardous Chemical, an entity producing or storing hazardous chemicals shall, according to the category and dangerous properties of the hazardous chemicals it produces or stores, set up monitoring, controlling, ventilation, sun-proof, temperature-controlled, fireproof, firefighting, blast-proof, pressure discharging, poison-proof, neutralizing, moisture-proof, lightening-proof, static-proof, antisepsis, and anti-leakage safety facilities or equipment, such as protection dams and segregated operations, etc. at the work places, and maintain them on a routine basis according to the national standards, industrial standards or relevant state provisions so as to guarantee the normal functioning thereof.根据《危险化学品安全管理条例》第20条 生产、储存危险化学品的单位，应当根据其生产、储存的危险化学品的种类和危险特性，在作业场所设置相应的监测、监控、通风、防晒、调温、防火、灭火、防爆、泄压、防毒、中和、防潮、防雷、防静电、防腐、防泄漏以及防护围堤或者隔离操作等安全设施、设备，并按照国家标准、行业标准或者国家有关规定对安全设施、设备进行经常性维护、保养，保证安全设施、设备的正常使用。
ETI 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.
Explanation to	It was noted that there was no anti-leakage facility

Evidence:

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the non compliance	(e.g. secondary container) in the printing workshop for printing oil. 审核员发现工厂没有为存放在印刷车间的油墨设置防渗漏设施/二次容器。
Follow up method	☐ Follow up audit ☑ Desktop audit
Timescale	☐ Immediate ☑ 30 days ☐ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that management adopt practices and controls to ensure that the anti-leakage facility (e.g. secondary container) is used for chemicals. 建议工厂为化学品设置防渗漏设施/二次容器。

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

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•A formal procedure to check age of workers at application includes checking ID's and the records are kept for review. •ID card copies are kept for employees' files for records. •Youngest worker is 27 years old.
Evidence examined:
•Personnel files of all workers •Latest list of employees •ID copies of all workers •Factory tour, young looking workers were invited for individual interview and interview responses Correspondence with the maintained personal records and age proof documents. And there were no underage workers being found at the time of audit.
Any other comments:
Nil

Legal age of employment:	16
Age of youngest worker found:	27
Are there children present on the work floor but not working at the time of audit?	☐ Yes ☑ No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	☐ Yes ☑ No Please give details: N/A – no young workers working at this facility.

5 - Living Wages are Paid [Summary of Findings]
5: Compliance Requirements 5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income. 5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid. 5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•Wage & benefit policy and controlling procedure were established and implemented. •Wage & benefit policy and controlling procedure were communicated to the employees through regular trainings. •The local minimum wage standard was set at RMB1720 per month equivalent to RMB9.88 per hour since December 1, 2021. Workers were paid by hourly rate which not below than local minimum wage and overtime wages were paid as per the legal requirement. •Adequate wages and attendance records were kept in the facility. •All employees are 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. •Benefits such as annual leave, sick leave, marriage leave, and child-bearing leave etc. were provided to relevant employees adequately. •All employees were paid around on 10th of next month by cash and each employee was given a pay slip and signed for their wages. •No monetary fine was used by the factory as disciplinary measure.
Evidence examined:
•Wage & benefit policy and controlling procedure •Training records about wage and benefit policy and controlling procedure •Local legal minimum wage documents •Labour contracts for all employees (to examine agreed wage rates) •Payroll records from July 2023 to June 2024 and attendance records from July 2023 to the audit day were available for review. •Social insurance and payment receipts from the local authority •Leave records •Resignation records •Payslips of all interviewed employees •Disciplinary policy and records •Production records such as daily production quantity records, inspection records and material issuing records were reviewed and consistent with the attendance records and payrolls provided by the facility. •Employee interview and management interview.
Any other comments:
Nil

Summary Information			
Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?

Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 40.0 Per Month: 184.0	Actual Per Day: 8.0 Per Week: 40.0 Per Month: 184.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 3.0 Per Week: null Per Month: 36.0	Actual Per Day: 0.0 Per Week: 8.0 Per Month: 32.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 79.08 Per Week: 395.4 Per Month: 1720	Actual Per Day: 79.08 Per Week: 395.4 Per Month: 1720	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: 0 Per Week: 158.16 Per Month: 632.64	NO

Wages Analysis:	
Were accurate records shown at the first request?	☑ Yes ☐ No
Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	10 samples from June 2024 (Current) 10 samples from March 2024 (Random) 10 samples from September 2023 (Random)
Are there different legal minimum wage grades? If Yes, please specify all.	☐ Yes ☑ No
If there are different legal minimum grades, are all workers graded and paid correctly?	☐ Yes ☐ No ☑ Not Applicable Please give details:
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	☐ Below legal min ☑ Meet ☐ Above
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	RMB 9.88 per hour
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 100.0% of workforce earning minimum wage 0.0% of workforce earning above minimum wage
Bonus Scheme found: Please specify details:	Bonus Scheme found:200 full attendance bonus, 1200 to 4000 position bonus was found Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.
What deductions are required by law e.g. social insurance? Please state all types:	Social insurance and tax
Have these deductions been made?	☑ Yes ☐ No
Please list all deductions that have been made.	Social insurance
Please list all deductions that have not been made.	tax

Were appropriate records available to verify hours of work and wages?	☑ Yes ☐ No
Were any inconsistencies found? (if yes describe nature)	☐ Yes ☑ No
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	☑ Yes ☐ No Please give details: N/A
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	☐ Yes ☑ No Please give details:
If yes, what was the calculation method used.	☐ ISEAL/Anker Benchmarks ☐ Asia Floor Wage ☐ Figures provided by Unions ☐ Living Wage Foundation UK ☐ Fair Wear Wage Ladder ☐ Fairtrade Foundation ☐ Other – please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	☑ Yes ☐ No Please give details: The facility conducted assessment at least once per year. Based on the provided payroll records, the minimum wage paid by the facility met the local minimum wage requirement.
Are workers paid in a timely manner in line with local law?	☑ Yes ☐ No
Is there evidence that equal rates are being paid for equal work:	☑ Yes ☐ No Please give details: It was confirmed through document review and employee interview.
How are workers paid:	☑ Cash ☐ Cheque ☐ Bank Transfer ☐ Other

6 - Working Hours are not Excessive [Summary of Findings]
6: Compliance Requirements 6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub–clauses 6.2 to 6.6 are based on international labour standards. 6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week. 6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay. 6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below. 6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where all of the following are met: 6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•Through employees' interview, overtime is voluntary. •The facility adopted electronic attendance system to record workers working hours. •Working time policy and controlling procedure were communicated to the employees through regular trainings. •According to time records and worker interview basic working hours were 8 hours per day and a max 40 hour per week with no more than 2 hours overtime per day on weekdays and 8 hours overtime on rest days. However, maximum monthly overtime hours were exceeded legal limit. •As per samples, all employees' weekly hours are not exceeded 60 hours, the maximum weekly hours are 48. •Based on the provided attendance records, employees have at least one day off a week.
Evidence examined:
•Employee interview •Management interview •Local and national laws •Facility policy on working hours •Attendance records •Computerised time logging system •Sample pay slips with recorded hours all workers interviewed •Workers' contracts •Payroll records from July 2023 to June 2024 and attendance records from July 2023 to the audit day •Quality and production records to cross check working hours.
Any other comments:
Nil

Working hours' analysis	
Systems & Processes	
What timekeeping systems are used?	Electronic attendance system

Is sample size same as in wages section?	☑ Yes ☐ No Please give details:
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	☑ Yes ☐ No
Are there any other types of contracts/employment agreements used?	☐ Yes ☑ No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	☐ Yes ☑ No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	☑ 1 in 7 days ☐ 2 in 14 days ☐ No (please explain)
Is this allowed by local law?	☑ Yes ☐ No
Maximum number of days worked without a day off (in sample):	6
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	☐ Yes ☑ No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	☐ Yes ☑ No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	0 hours per day, 8 hours per week, 32 hours per month in June 2024; 0 hours per day, 8 hours per week, 32 hours per month in March 2024; 0 hours per day, 8 hours per week, 32 hours per month in September 2023.
Combined hours (standard or contracted + overtime hours = total) over 60 found?	☐ Yes ☑ No Please give details: the maximum weekly hours are 48.
Approximate percentage of total workers on highest overtime hours:	90.0%

Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	☑ Yes ☐ No ☐ Conflicting Information Please give details: The voluntary overtime policy was provided for review. Regular trainings were provided for employees. Through employees' interview and document review, it was confirmed that overtime is voluntary.
Overtime premium	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	☑ Yes ☐ No ☐ N/A – there is no legal requirement to OT premium Please give details: 150%, 200% & 300% of normal rate for overtime work on weekdays, rest days and holidays.
Is overtime paid at a premium?	☑ Yes ☐ No 100% employees were paid monthly
If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	☐ No ☐ Consolidated pay ☐ Collective Bargaining agreements ☑ Other
Please give details	N/A
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	☑ Overtime is voluntary ☐ Onsite Collective bargaining allows 60+ hours/week is voluntary ☐ Safeguards are in place to protect worker's health and safety ☐ Site can demonstrate exceptional circumstances ☐ Other reasons (please specify)
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	N/A. No workers worked more than 60 total hours per week.
Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	☐ Yes ☑ No
If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	☐ Yes ☑ No

7 - No Discrimination is Practiced [Summary of Findings]
7: Compliance Requirements 7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•No worker was required to do the examination of the hepatitis B virus and HIV. •Anti-discrimination procedure on hiring, compensation, promotion and access to training is available during the audit. •Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work. •There was an internal grievance process and all interviewees were aware of the grievance channels in case they encountered any discrimination cases. •There was no evidence of sexual harassment.
Evidence examined:
•The hiring and termination procedure, leave application records and employee handbook. •Payrolls •Attendance records •Termination records •Training records •Labour contracts
Any other comments:
0

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 66.0%		Female: 34.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	0		
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	☐ Hiring ☐ Promotion	☐ Compensation ☐ Termination or retirement	☐ Access to training ☑ No evidence of discrimination found
Please give details	N/A		
Professional Development			
What type of training and development are available for workers?	Only internal trainings relevant to job requirements and machine operation etc. were provided to employees.		
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	☑ Yes ☐ No		

8 - Regular Employment Is Provided [Summary of Findings]
8: Compliance Requirements 8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice. 8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour–only contracting, sub–contracting, or home–working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed–term contracts of employment. Additional Elements: Responsible Recruitment 8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements. 8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation. 8.5 Employment agencies must only supply workers registered with them. 8.6 Workers pay no recruitment fee at any stage of the recruitment process. 8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•All permanent workers (local and migrant) were recruited by the facility directly. •All workers had signed a labour contract with the facility within 30 days after employment and received a copy of the labour contract. •The facility did not use the subcontracting or home workers.
Evidence examined:
•The hiring and termination policy and procedures •Personal files •Payroll records were provided for review. •Labour contracts •Management interview and employee interview.
Any other comments:
Nil

Responsible Recruitment	
All Workers	
Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	☑ Terms & Conditions presented ☑ Understood by workers ☑ Same as actual conditions
Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	☐ Yes ☑ No
Migrant Workers	

Type of work undertaken by migrant workers:	All types of work in the factory include migrant workers from in-country region.
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	☐ Yes ☑ No Please give details: N/A, no such kind of deduction.
Is there any observation on this finding?	N/A, no such kind of deduction.
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	☐ Yes ☑ No
Non-employee workers	
Recruitment Fees	
Are there any fees?	☐ Yes ☑ No
Agency Workers (if applicable) (Workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	No agency
Were agency workers' age / pay / hours included within the scope of this audit?	☐ Yes ☑ No
Were sufficient documents for agency workers available for review?	☐ Yes ☑ No
Is there a legal contract agreement with all agencies?	☐ Yes ☑ No Please give details: No agency
Does the site have a system for checking labour standards of agencies?	☐ Yes ☑ No Please give details: No agency
Contractors (Contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider.)	
Any contractors on site?	☐ Yes ☑ No Please give details: No contractors
Do all contractor workers understand their terms of employment?	☐ Yes ☑ No Please give details: No contractors

8A - Sub–Contracting and Homeworking [Summary of Findings]
8A: Compliance Requirements 8.A.1 There should be no sub–contracting unless previously agreed with the main client. 8.A.2 Systems and processes should be in place to manage sub–contracting, homeworking and external processing.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•A facility tour showed that all production processes were finished with the facility. •No sub-contracting or homeworking was used by this facility. •The facility has established the policy to ensure sub-contracting would not be used unless previous agreed with the main client. •Production records such as daily production record, materials in and out records, QC inspection records etc were reviewed, there was no sign of subcontracting or homeworking.
Evidence examined:
•Site tour (Calculation on total production and estimated capacity) •Materials in/out records, daily production records, QC Inspection records. •Management interview •Worker interview
Any other comments:
N/A, no process sub-contracted.

Summary of sub–contracting – if applicable	
Is there any sub-contracting at this site?	☐ Yes ☑ No
Summary of homeworking – if applicable	
Is homeworking used at this site?	☐ Yes ☑ No

9 - No Harsh or Inhumane Treatment is Allowed [Summary of Findings]
9: Compliance Requirements 9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. 9.2 companies should provide access to a confidential grievance mechanism for all workers

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•From documents management had established a disciplinary procedure for workers' misbehaviour which included oral warning, written warning and finally termination and the facility, had developed a training program for all employees on the procedure. Worker interview confirmed that workers were aware of the disciplinary procedure. •As per management interview, document review and workers interview, there was a policy on Harsh Treatment. •There is an internal process for grievance, which is an anonymous email address, where workers can report any grievances (harassment, bullying, discrimination etc.); any received complaint will be handled by management, without any reprisal for the worker in question.
Evidence examined:
•The relevant policy on prevention of harassment and abuse. •Internal grievance procedure documentation. •Training records. •Facility tour. •Management and employee interview.
Any other comments:
Nil

Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?	☑ Yes ☐ No Please give details: The facility provided access to a confidential grievance mechanism for all workers.
If yes, are workers aware of these channels and have access? Please give details.	All employees were trained on the facility confidential grievance mechanism and it was confirmed through interview with employees.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism,comment box etc. Please give details.	Suggestion box, telephone, worker representative and the team leader.
Which of the following groups is there a grievance mechanism in place for?	☑ Worker ☐ Communities ☐ Suppliers ☐ Other
Please provide grievance mechanism details	The grievance mechanism allowed workers to report issues anonymously.
Are there any open disputes?	☐ Yes ☑ No Please give details:

Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	☑ Yes ☐ No Please give details:
Is there a published and transparent disciplinary procedure?	☑ Yes ☐ No Please give details:
If yes, are workers aware of these the disciplinary procedure?	☑ Yes ☐ No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	☐ Yes ☑ No Please give details:

10A - Entitlement to Work and Immigration [Summary of Findings]
10A: Compliance Requirements 10.A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10.A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•Per document review, facility management representation and worker interview, all workers in the facility were Chinese, there were around 66% employees that were migrant workers who came from other provinces in China (mainly from Hunan province.). •All workers had the proper legal rights to work in this region. All of them were recruited directly by the factory and no agency was involved in factory's recruitment processes. •No agency staff or foreign worker was used by the facility.
Evidence examined:
•Hiring procedure •Personnel files •Worker handbook •Management and employees interview
Any other comments:
Nil

10B4 - Environment 4–Pillar [Summary of Findings]
10B4: Compliance Requirements 10.B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards. 10.B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc. 10.B4.3 Businesses shall be aware of their end client's environmental standards/code requirements 10.B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers. 10.B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes. 10.B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details). 10.B4.7 Businesses shall make continuous improvements in their environmental performance. 10.B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation 10.B4.9 Businesses should have a nominated individual responsible for co–ordinating the site's efforts to improve environmental performance. 10B4: Guidance for Observations 10.B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor. 10.B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations. Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•The facility registered on Sedex and provide the SAQ for review. •The facility established the environmental protection policy for review. •The facility had compiled one written significant environmental factors or their site and its processes. •The facility measures and monitors its energy usage. The facility monitors electricity monthly. Water usage is monitored monthly and a matrix report is kept on file. •The facility established a comprehensive and tested energy plan to mitigate environmental impact in case of incidents. •Ms. Yi Xiao Mao / Manager was appointed responsible for environmental issues. •The facility has not been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.
Evidence examined:
•Environmental protection policy and environmental training record were reviewed. •Employees' interview and management interview.
Any other comments:
Nil

Environmental Analysis	
Is there a manager responsible for Environmental issues (Name and Position):	Ms. Yi Xiao Mao / Manager

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	☐ Yes ☑ No Please give details: N/A
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	☐ Yes ☑ No Please give details: N/A
Does the site have an Environmental policy?	☑ Yes ☐ No
If yes, is it publicly available?	☑ Yes ☐ No
If yes, does it address the key impacts from their operations and their commitment to improvement?	☑ Yes ☐ No Please give details: The policy has included their commitment to continuously improve environmental performance.
Does the site have a Biodiversity policy?	☐ Yes ☑ No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	☐ Yes ☑ No Please give details: N/A
Have all legally required permits been shown?	☑ Yes ☐ No Please give details: The facility had provided Environmental Impact Registration Form, Environmental Impact Assessment Approval, Environmental Protection Acceptance Check for their construction project for review.3
Is there a documentation process to record hazardous chemicals used in the manufacturing process?	☑ Yes ☐ No ☐ Not Applicable Please give details: The hazardous chemicals list and log were provided for review.
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	☑ Yes ☐ No Please give details: Such system is in place to managing client's requirements and legislation in the destination countries regarding environmental issues.
Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	☑ Yes ☐ No Please give details: Such system and target are in place to reduction environmental aspects.
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	☑ Yes ☐ No Please give details: N/A

Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	☑ Yes ☐ No Please give details: Such system is in place to accurately measuring and monitoring consumption of key utilities of water, energy and natural resources.	
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	☐ Yes ☑ No Please give details: N/A (No sub-contracting agencies or business partners operating on the facilities premises.)	
Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	186000	95000
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	Local water authority	Local water authority
Water Volume Used	368	128
Water Discharged	Municipal drainage pipeline	Municipal drainage pipeline
Water Volume Discharged	368	128
Water Volume Recycled	0	0
Total waste produced	124 Ton	48 Ton
Total hazardous waste produced	1.2 Ton	0.45 Ton
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	Not provided	Not provided

10C - Business Ethics – 4-Pillar Audit [Summary of Findings]
10C: Compliance Requirements 10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice. 10.C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices. 10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements. 10.C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter. 10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice, 10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics 10.C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area. 10C: Guidance for Observations 10.C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers. 10.C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

Current Systems and Evidence Examined *To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*
Current Systems:
•The facility registered on Sedex and provide the SAQ for review. •The INSITE Compliance integrity policy was given to the facility by the auditor. The management acknowledged this, signed it and kept a copy. •The facility manual contains the details of business Ethics, which are also published on the public board. •Based on management interview, the facility was familiar with national regulations/ laws concerning business integrity standards. •Business integrity policy was established and communicated to all employees by facility manual, employee manual, induction training and regular training. •Ms. Yi Xiao Mao / Manager was appointed responsible for business integrity. •The facility has a transparent system in place for confidentially reporting and dealing with unethical business practices without fear of reprisals towards the reporter. •The employees have their induction training on business ethics when they first start their job. They have their regular training on business ethics yearly. The admin apartment determines all job roles categorized by section; through this, employees identified the level of risk and the admin apartment provided ethics training to the staff whose job roles carry a higher level of risk in the area of ethic business practice.
Evidence examined:
•The facility manual and employee manual were reviewed. •Employee's interview and management interview.
Any other comments:
Nil

Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	☑ Internal Policy ☑ Policy for third parties including suppliers Please give details: The facility had signed letter of commitment in business ethics with suppliers.
Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	☑ Yes ☐ No Please give details: the training was given to relevant personnel (e.g. sales, buyer and logistics) on business ethics issues regularly.
Is the policy updated on a regular (as needed) basis?	☑ Yes ☐ No Please give details: N/A
Does the site require third parties including suppliers to complete their own business ethics training	☐ Yes ☑ No Please give details: N/A

Attachments

CA-49-CN424SA1_Insite Ethic Letter_Chenxing Packaging Technology (Huizhou) Co., Ltd_2024.07.15 to 2024.07.16.pdf	CA-49-CN424SA1_Signed CAPR_Chenxing Packaging Technology (Huizhou) Co., Ltd_2024.07.15 to 2024.07.16.pdf
CA-49-CN424SA1_Photo Report_Chenxing Packaging Technology (Huizhou) Co., Ltd_2024.07.15 to 2024.07.16.docx	

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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.

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Click here for Buyer (A) & Buyer/Supplier (A/B) members:

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

Click here for Supplier (B) members:

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

Click here for Auditors:

https://www.surveymonkey.co.uk/r/BRTVCKP