



# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC5000034341	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS1000040172	
Business name (Company name):	TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD			
Site name:	TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD			
Site address:	Shiliang Town, Tianchang City, Anhui province 安徽省天长市石梁镇 Tianchang City/Shiliang Town 239322 CN	Country:	CN	
Site contact and job title:	Mr.Junheng Gu / GM			
Site phone:	0550-7713988	Site e-mail:	1019739619@qq.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2024-07-08			

Audit Company Name:
Bureau Veritas Certification

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

## 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:	Chuangen Wang	APSCA Number:	21702787
Additional Auditors:			
Date of declaration:	2024-07-09		

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:	Mr.Junheng Gu
Title:	GM
Date of declaration:	2024-07-09
<b>Comments:</b> <i>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</i>	

## Summary of Findings

Issue <small>(please click on the issue title to go direct to the appropriate audit results by clause)</small>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>			0	0	0	
<u>0B - Management systems and code implementation</u>			0	0	0	
<u>1 - Freely chosen employment</u>			0	0	0	
<u>2 - Freedom of association and right to collective bargaining are respected</u>			0	0	0	
<u>3 - Working conditions are safe and hygienic</u>	3.1 3.1	§1 §2	2	0	0	NC - ZAF600550111 NC - ZAF600550112
<u>4 - Child labour shall not be used</u>			0	0	0	
<u>5 - Living wages are paid</u>	5.1	§3	1	0	0	NC - ZAF600550113
<u>6 - Working hours are not excessive</u>	6.1	§4	1	0	0	NC - ZAF600550114
<u>7 - No discrimination is practiced</u>			0	0	0	
<u>8 - Regular employment is provided</u>			0	0	0	
<u>8A - Subcontracting and homeworking</u>			0	0	0	
<u>9 - No harsh or inhumane treatment is allowed</u>			0	0	0	
<u>10A - Entitlement to work and immigration</u>			0	0	0	
<u>10B2 - Environment 2-pillar</u>			0	0	0	
<u>10B4 - Environment 4-pillar</u>	10.B4.4		1	0	0	NC - ZAF600550115
<u>10C - Business ethics 4-pillar</u>			0	0	0	

## Local Law Issues

Issue	Description
§1	<p>In accordance with &lt;General Rules for Designing the Production Facilities (GB5083-1999)&gt;, Article 6.1.2 Set necessary safety devices to the movable spare parts maybe touched during the operation. Article 6.1.6 With the surface where work point located as reference, if transmission strap, rotor shaft, transmission chain, coupling Member, belt wheel, gearwheel, fly wheel, chain wheel and electric saw expose to danger, set the safety device as a must.</p> <p>GB5083-1999 《生产设备安全卫生设计总则》 第6.1.2条 对操作过程中可能接触的可移动备件设置必要的安全装置。 第6.1.6条 以工作点所在的表面为参照，如果传动带、转子轴、传动链、联轴器、皮带轮、齿轮、飞轮、链轮和电锯暴露在危险之中，必须设置安全装置。</p>

S2	<p>In accordance with &lt;General Guide for Safety of Electric User (GB/T 13869-2017)&gt;:</p> <p>5.1.2 The electric circuits of electrical products must have adequate insulating strength, mechanical strength and conductivity, and the installation of electric circuits shall be in compliance with the regulation of relevant electrical product standard.</p> <p>GBT 13869-2008 用电安全导则</p> <p>5.1.2电气线路应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。</p>
S3	<p>In accordance with &lt;Labor Law of the People's Republic of China&gt;, Article 72, The sources of social insurance funds shall be determined according to the branches of insurance, and an overall raising of social insurance funds shall be practised step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law.</p> <p>中华人民共和国劳动法(2018修正),第七十二条:社会保险基金按照保险类型确定资金来源，逐步实行社会统筹。用人单位和劳动者必须依法参加社会保险，缴纳社会保险费。</p>
S4	<p>In accordance with &lt;Labor Law of the People's Republic of China&gt;, Article 41, The employing unit may extend working hours as necessitated by its production or business operation after consultation with the trade union and laborers, but the extended working hour per day shall generally not exceed one hour; if such extension is needed for special reasons, under the condition that the health of laborers is guaranteed, the extended hours shall not exceed three hours per day. However, the total extension in a month shall not exceed thirty six hours.</p> <p>中华人民共和国劳动法(2018修正),第四十一条:用人单位由于生产经营需要，经与工会和劳动者协商后可以延长工作时间，一般每日不得超过一小时；因特殊原因需要延长工作时间的，在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时，但是每月不得超过三十六小时。</p>



## Site Details

Site Details			
Company Name	TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD		
Site Name	TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD		
GPS location (if available)	GPS Address:	Shiliang Town, Tianchang City, Anhui province	
	Coordinates:	Latitude: N32°41'40"; Longitude:E 118°52'17"	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business license: No.913411007430870634,valid from 25 October 2002 to long term. Source of fixed pollution discharge registration form:No.913411007430870634001Y,valid until 24 October 2025.		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Manufacture and sales of sports cap.		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	The audited site was established on 25 October 2002. Location: Shiliang Town, Tianchang City, Anhui province. The building area of facilities is about 5228 sq. meters. The number of main buildings:4. The age of buildings: 14 years.		
Structure and number of buildings	Building Name:		Building No.1
	Floor	Description	Remark
	1	office	Nil
	2	Idle	Nil
	Building Name:		Building No.2
	Floor	Description	Remark
	1	workshop and warehouse	Nil
	Building Name:		Building No.3
	Floor	Description	Remark
	1-2	Idle	Nil
	Building Name:		Building No.4
	Floor	Description	Remark
	1	lease to other factory	Nil
	2	Idle	Nil
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details:  No visible structural integrity issues (large cracks) observed.		

Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The building structure safety certificate is available and valid. (date:14 May 2010,valid until long term).
Site function	<div> <input type="checkbox"/> Agent           <input checked="" type="checkbox"/> Factory Processing/Manufacturer         </div> <div> <input checked="" type="checkbox"/> Finished Product Supplier           <input type="checkbox"/> Grower         </div> <div> <input type="checkbox"/> Homeworker           <input type="checkbox"/> Labour Provider         </div> <div> <input type="checkbox"/> Pack house           <input type="checkbox"/> Primary Producer         </div> <div> <input type="checkbox"/> Service Provider           <input type="checkbox"/> Sub-contractor         </div>
Months of peak season	
Process overview	1.The main products: sports cap. 2.The main equipment and production line: cutting machine 2sets,sewing machine 30sets,punching machine 1sets,needle detecting machine 1set,1 moulding line. 3.The main production process: cutting,sewing,moulding,inspection,packing,finished products.
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee
	<input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	Worker Committee of TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD with 2 worker's representatives.
Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No accommodation buildings provided.



Audit Parameters				
Time in and time out	Day 1		Day 2	
	In	09:00	In	08:30
	Out	17:30	Out	12:30
Audit type:	FULL_INITIAL			
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	Mr.Junheng Gu / GM			
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	No labor union established in the site.		
Reason for absence during the audit	No labor union established in the site.		
Reason for absence at the closing meeting	No labor union established in the site.		

## 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	2	0	0	16	0	0	0	18
Worker numbers – female	4	0	0	1	0	0	0	5
Total	6	0	0	17	0	0	0	23
Number of Workers interviewed – male	1	0	0	6	0	0	0	7
Number of Workers interviewed – female	2	0	0	1	0	0	0	3
Total – interviewed sample size	3	0	0	7	0	0	0	10

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No obvious peak season	
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	1 group of 4
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	None
What did the workers like the most about working at this site?	They are satisfied with working environment and near home.
Any additional comment(s) regarding interviews:	None
Attitude of workers to hours worked:	satisfied and the overtime hours is voluntary.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

Total 10 workers were randomly selected from different departments for private interview, 6 workers were individual interview and 1 group of 4 workers were group interview. The workers reported that they have 1 kind of working shift in the site. Wages of workers were calculated on monthly basis. The payday is on or before 30th day of the next month. The payment method is bank transfer. No harsh or inhumane implementation and discrimination reported during this audit. In general, the workers were satisfied with the site.

Attitude of worker's committee/union reps:

The company has worker committee, the worker can communicate with worker's committee representatives if they have any suggestion or complain. Overall, worker interview showed the workers' attitude to management, workplace, and the interview process were positive.

Attitude of managers:

At the opening meeting, auditor explained to the company representative the scope of audit and the audit standard and COC of BV. After the opening meeting, company tour, document review, interviews with management members and workers were conducted as scheduled in the audit plan. A full audit was finished under the co-operation of the company representative. At the closing meeting, auditors provided the company representative a general overview and then explained the strengths, weaknesses and findings in the company. Also, auditors left a copy of filled & signed social audit summary report to the site. Overall, the company managements' attitude was positive.



**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:**

- Mr.Weiwei Huang/Vice GM is responsible for implementing standards concerning human rights.
- Human right policy was issued and approved by the highest level, the site has communicated it to appropriate parties, including its own suppliers.
- The site has identified their stakeholders (e.g., employees, suppliers, clients and local government) and salient issues (e.g., health and safety, working hours, wages and environment,etc), and measured their impacts on stakeholder human rights. The site has addressed adverse impact issues.
- The site has a transparent system in place for confidentially reporting (e.g., suggestion box), and dealing with human rights impacts without fear of reprisal towards the reporter.

**Evidence examined:**

- SA policy and procedure,No.TCHT-001,Ver:A/1,date:23 June 2018,
- Data privacy policy and procedure,No.TCHT-001-49,Ver:A/1,date:23 June 2018.
- Disciplinary procedure,No.TCHT-001-05,Ver:A/1,date:23 June 2018,
- Appointment of management representative,
- Employee manual,No.TCHT-A/0-102Ver:A/0,date:8 May 2018.
- Communication records with stakeholders,
- Workers' interview

**Any other comments:**

Nil

Policy statement that expresses commitment to respect human rights?

☒ Yes ☐ No

Please give details:

The written SA policy commitment to respect human rights.

Are the policies included in workers' manuals?

☒ Yes ☐ No

Please give details:

The policies were included in employee manual.

Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr.Weiwei Huang/Vice GM
Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has a confidential suggestion box, which was available to workers reporting and deal with human rights impacts.
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has established and implemented Data privacy policy and procedure,No.TCHT-001-49,Ver:A/1,date:23 June 2018,
<b>Measuring Workplace Impact</b>	
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                      15.0% This year                        16.0%
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])	8.0%
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The audited factory has established accident procedure, and the accident record is available for review. Zero accident occurred in the past 12 months.

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	0.0%
	This year	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	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

0B - Management Systems and code Implementation [Summary of Findings]
<p>0B: Compliance Requirements</p> <p>0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.B.3 Suppliers are expected to communicate this Code to all employees.</p> <p>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.</p> <p>0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p><b>Current Systems:</b></p> <ul style="list-style-type: none"> <li>•No inconsistency record found during this audit.</li> <li>•The site has established and implemented social responsibility management system.</li> <li>•Mr.Weiwei Huang/Vice GM is responsible for compliance with the code.</li> <li>•Business license and land certificate were available and valid.</li> <li>•ETI Base Code and client specific codes have been communicated to employees on-site per training records.</li> <li>•The supplier commitment letter indicated that ETI Base Code and client specific codes have been communicated to supplier.</li> </ul>
<p><b>Evidence examined:</b></p> <ul style="list-style-type: none"> <li>•Business license (pls refer to site details chapter for detail),</li> <li>•Land right certificate(No.皖2022天长市不动产权第0012690号,Valid:7 December 2057.),</li> <li>•SA policy and procedure,No.TCHT-001,Ver:A/1,date:23 June 2018,</li> <li>•Appointment of management representative,</li> <li>•Internal audit record,</li> <li>•Management review record,</li> <li>•Training records (ETI,SA policy and procedure,date:2 April 2024),</li> <li>•Supplier commitment letter.</li> </ul>
<p><b>Any other comments:</b></p> <p>Nil</p>

Management Systems	
In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>According to online enquiries, no fines or prosecutions in the past 12 months.</p>
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The site has established policies and procedures to prohibit forced labour, child labour, discrimination, harassment &amp; abuse.</p> <p>If any risk exists, the site will take action to reduce the risk.</p>

If Yes, is there evidence (an indication) of effective implementation? Please give details.	Policies and procedures exist in the site. Observation on-site and interview with workers indicated that no forced labour, child labor, discrimination, harassment and abuse occurred in the past 12 months.
Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The related training provided to managers and workers every year. Induction training for all new employees.
If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Annual training plan and training records were available, the policies and ETI base code were also posted in site.training record(ETI code, SA policy and procedure,date:2 April 2024)
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: None
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Mr.Weiwei Huang/Vice GM is in charge of the HR department.
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Mr.Weiwei Huang/Vice GM
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The site has established privacy policy and procedure that workers' information is confidential. (Data privacy policy and procedure,No.TCHT-001-49,Ver:A/1,date:23 June 2018)
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Data privacy procedure, workers personal information kept well and is only accessible by authorized staff.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The site has performed risk assessment. (date:28 December 2023).
Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The risk assessment table including implementation of controls to reduce identified risks.

Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  The supplier's commitment letter indicated that supplier obey the ETI code.
<b>Land Rights</b>	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  The land right certificate was available and valid. No.皖2022天长市不动产权第0012690号,Valid:7 December 2057.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  In China, only local government can develop land in line with legal requirement.
Does the site have a written policy and procedures specific to land rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  This land is industrial used and approved by local government.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details:  No need for compensation, this land is industrial used and approved by local government.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  This land is industrial used and approved by local government.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details:  No evidence indicated illegal land using.



## 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:

- The site has established anti-forced labour policy and procedure.
- Employee handbook and recruitment procedure stated that:
  - 1.Workers in the probation period may notify the employer 3 days prior to the termination of the labour contract.
  2. Workers may notify the employer 30 days prior to the termination of the labour contract.
- No forced, bonded and involuntary prison labour found.
- No loan scheme found.
- The site does not require deposit and withhold workers ID cards, but only copies of ID cards shall be kept in the personal files, and the original ID cards are returned to workers.
- The resigned workers can get their full resigned wage on the last day of work.
- Workers are free to leave the site during breaks, rest time and at the end of their shift.
- The overtime is voluntary.

### Evidence examined:

- Anti-force labour procedure,No.TCHT-001-04,Ver:A/1,date:23 June 2018,
- Recruitment and resign procedure,No.TCHT-001-44,Ver:A/1,date:23 June 2018,
- Employee manual,No.TCHT-A/0-102Ver:A/0,date:8 May 2018,
- Workers' interview and management interview,
- Recruitment form and labour contract,
- Training record (anti-forced labour,date:2 April 2024).
- Leave request,
- Resignation records (including request and wages)
- Contracts

### 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No restriction found during this audit. 1. Workers in the probation period may notify the employer 3 days prior to the termination of the labour contract. 2. Workers may notify the employer 30 days prior to the termination of the labour contract.
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'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: No business in UK and registered there.
Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No restrictions and free access
Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details: The workers were aware of the policy and conduct the supplier review regularly.
Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: No forced / trafficked / bonded labour found during this audit, the risk assessment table was established to identify and reduce possible of forced/trafficked/bonded 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 site has established freedom of association and right to collective bargaining procedure.
- There was a worker committee in the site.
- Worker's interview confirmed that the members of the worker committee had been elected by workers, and the site did not interfere with their activities, and did not discriminate against worker representatives.
- The worker representatives conducted meetings regularly and the latest meeting minutes was available.
- All workers could express their suggestion or complaints to general manager directly.

#### Evidence examined:

- Freedom of association procedure, No.TCHT-001-39, Ver:A/1, date:23 June 2018,
- The responsibility of worker representatives,
- Interview with workers, worker's committee members and managers,
- Free election record (date: 7 March 2024),
- Meeting minutes (date:14 June 2024),
- Training record (Freedom of association, date:2 April 2024).

#### 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)	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Other details:	Worker Committee of TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD with 2 worker's representatives.
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: suggestion box
Is there evidence of free elections?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site allows to use meeting room and activity place during working hours.
Name of union and union representative, if applicable:	No labor union in the site
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Worker committee of TIANCHANG HAOTIAN HATS AND GARMENT ACCESSORY CO LTD
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: As per worker interview, they are aware of representative and know what topic can communicate with representative.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2024-03-07
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	The last meeting: 14 June 2024 Topic: PPE. Via bulletin board.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

- Mr. Weiwei Huang/Vice GM is responsible for Health & Safety in the site.
- The H&S policy and procedures established.
- The site provided H&S training to workers (e.g., H&S knowledge, Machine safety, PPEs, 3-level safety training, etc.).
- The legally certificates and permits (e.g., building structure safety certificates, fire acceptance check certificates) are available and valid.
- H&S risk assessment was conducted for all type of workers, and action was established to prevent any injuries, especially the most vulnerable ones, e.g. pregnant and lactating women, young workers, migrant workers.
- There is a grievance procedure and workers can raise H&S issues.
- No accident occurred in the past 12 months.
- No dormitory, catering and transportation service provided for workers.

### 2. Worker Health

- Clean drinking water is freely available to workers.
- Ventilation, light, temperature, noise, dust and sound levels are appropriate.
- Workers report the work environment is appropriate.
- Sufficient clean toilets segregated by gender are available.

### 3. Building structure safety

- The site premises are structurally safe.
- No large cracks observed.

### 4. Fire Safety

- Adequate firefighting equipment to fight fire, including fire alarms, fire extinguishers, fire hydrants, etc. They are well maintained.
- The light evacuation indicators are available and in good condition.

### 5. Emergency Response

- The emergency plans are available for review.
- The site had conducted 2 fire drills and emergency evacuation covered all workers in the past 12 months.
- An emergency evacuation assembly point is available.
- Emergency exits and evacuation routes are not blocked, sufficient in numbers and well signalled.
- The evacuation plans are posted in all areas.
- Workers can safely and quickly exit the site.

### 6. Machine safety

- Machines are well maintained and operated in a safe manner.
- As per on-site observation, 3 out of 30 sewing machines in the sewing workshop lacked needle guards during this audit. 1 NC raised.
- No special equipment used in the factory.

### 7. Electrical safety

- Most of electrical facilities were in good condition, no visible wiring, deteriorated plugs, blocked electrical equipment, etc. Based on on-site observation, 1 out of 4 electrical boxes near packing workshop was not locked during this audit. 1 NC raised.
- Adequate records of regular and effective electrical inspections.
- There was 1 qualified electrician on-site and training certificate is available and valid.

### 8. Chemical safety

- Few chemicals (e.g., machine oil) used in the site. No hazardous chemical used in the site.
- All chemicals are labelled and properly stored.
- Material Safety Data Sheets are available.
- The anti-leakage facilities (e.g., secondary container) are equipped in the site.

### 9. Occupational health and Personal protective Equipment (PPEs)

- There is no major occupational hazard factor in the factory.
- The site has provided free PPEs to workers.
- As per on-site audit, all workers wear PPEs properly.

### 10. Medical services


- The first aid kits are available, sufficient number and well stocked.
- Sufficient number of qualified first aiders available in the site.




Total 2 NCs raised during this audit.
<b>Evidence examined:</b>
<ul style="list-style-type: none"> <li>•On-site observation,</li> <li>•Interview with H&amp;S manager, worker and H&amp;S committee members,</li> <li>•H&amp;S policy and procedure ,No.TCHT-001-13,Ver:A/1,date:23 June 2018,</li> <li>•H&amp;S assessment record(date: March 2024),</li> <li>•Training record: H&amp;S policy and rules(date:2 April 2024), Machine safety training(date:2 April 2024), PPE usage training(date:2 April 2024), 3-level safety training for new workers(date:30 April 2024),etc.</li> <li>•Fire and evacuation drill(at 15:30 for day shift,date:15 September 2023;at 10:30 for day shift,date:9 March 2024),</li> <li>•Building structure safety certificates(date:14 May 2010, valid until long term),</li> <li>•Fire acceptance check report(No.天公消验字2009第0075号,date:12 October 2010),</li> <li>•Machine maintenance records,</li> <li>•Electrical inspection record(date: June 2024),</li> <li>•Potable water testing report(date:31 May 2024),</li> <li>•Electrician certificate(Valid until 19 April 2026),</li> <li>•First aider certificate(valid for 3 years,issue date:28 June 2024),</li> <li>•PPE issuance list</li> <li>•Chemical list,</li> <li>•MSDS,</li> <li>•Accident records,</li> <li>•Working records (daily production record, material in and out records, inspection records) etc.</li> </ul>
<b>Any other comments:</b>
Nil

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The H&S policy and the training has performed to all workers. Training record(H&S policy and rules, date:2 April 2024),
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The H&S policies were included in employee handbook.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No structural additions found.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site provided H&S training and PPEs to visitors.

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))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No medical room, doctor is not available in the site, and this is not a legal requirement.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: No doctor or nurse in the site, this is not a legal requirement. Total 2 trained first aiders in the site.
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No transport was provided for workers.
Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No dormitory service for workers.
Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessment table which including identified risk and control action was provided. (date: March 2024)
Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site met its legal obligations on environmental requirements including required permits.
Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has established the procedure, obeyed the rules and met its customer requirements on environmental standards, no banned chemicals used at the factory.

Non-Compliance		Evidence																													
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	<input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the site conduct regular machine inspection and to install needle guards for all sewing machines. 建议现场定期进行机器检查,并为缝纫机安装防针罩.	

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GBT 13869-2008 用电安全导则                      5.1.2电气线路应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。                 </td> </tr> <tr> <td>ETI code</td> <td>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. 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#### 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:

- The site has established prohibition of child labor and child labor remedial procedure.
- If any child labour, the site will take action to help them, and provide education/vocational training.
- The site will verify all workers' original ID cards at the time of recruitment, included birth date and employment date, keep the copies of workers' ID cards in the personnel files, and the original ID cards will be given back to the workers.
- No child labour found during this audit.
- The youngest worker is 36 years old.

##### Evidence examined:

- Child labor and remedial procedure, No.TCHT-001-03, Ver:A/1, date:23 June 2018,
- Worker's roster review,
- Onsite observation,
- Worker's interview and management interview.

##### Any other comments:

Nil

Legal age of employment:	16
Age of youngest worker found:	36
Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No workers under 18 years old found during this audit.

## 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:

- The local legal minimum salary is CNY 1870 per month equivalent to CNY 10.75 (1870/21.75/8) per hour since 1 March 2023.
- All workers' salary is calculated by hourly rate, the actual minimum salary paid by the site is CNY 2900 per month equivalent to CNY 16.67 (2900/21.75/8) per hour.
- The monthly salary is consisted of base salary, overtime salary and allowance, etc.
- The payday is on or before 30th day of the next month, and the payment method is bank transfer.No delayed payment of salary found. Each worker was given a pay slip and signed for their salary.
- The payroll records of 10 workers randomly selected from September 2023(Random),February 2024(Random) and May 2024(Current/Last paid) were reviewed.
- Based on provided records, the site pays the last month's overtime correctly and on time, details as follows:  
150% of regular wage for weekday overtime;  
200% of regular wage for rest day overtime;  
no work was arranged in official holidays, if work on official holidays, the site will pay 300% of regular wage for official holiday overtime.
- No social insurance was paid to all workers, please refer to below NC for details.
- Sick leave, marriage leave, maturity leave, and annual leave were provided to workers.
- All workers have signed a written labor contract, and the copies of the labor contract were kept by workers. The employment condition was correctly defined in the labor contract.
- No deduction from wage as a disciplinary.
- Total 1 NC raised during this audit.

### Evidence examined:

- Wages and welfare procedure,No.TCHT-001-02,Ver:A/1,date:23 June 2018,
- Local and national laws about minimum wage documents,
- Employee manual,No.TCHT-A/0-102Ver:A/0,date:8 May 2018,
- Last 3 months' social insurance payment receipts,
- Worker interview and management interview
- Payroll records including Labour contracts, Leave records, Recruitment and Resignation records in past 12 months,
- Hours records to check hourly rates and any overtime premiums.

### Any other comments:

Nil

## Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
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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: null	Actual Per Day: 8.0 Per Week: 40.0 Per Month: null	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: 2.0 Per Week: 16.5 Per Month: 60.0	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: null Per Week: null Per Month: 1870	Actual Per Day: null Per Week: null Per Month: 2900	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: null Per Week: null Per Month: null	NO
<b>Wages Analysis:</b>			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 selected from September 2023(Random),February 2024(Random) and May 2024(Current/Last paid) No obvious peak season.		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	CNY 2900 per month equivalent to CNY 16.67 (2900/21.75/8) per hour.		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found:None 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, personal income tax Remark: Personal income tax should be raised if the gross wage is over RMB 5000.		
Have these deductions been made?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Please list all deductions that have been made.	personal income tax		
Please list all deductions that have not been made.	social insurance, detail please refer to NC		

Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Based on the provided attendance records, workers' interview and production records, the records reflected all time worked.
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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> 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).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The local legal minimum wage was published by local government, and the site will check the local legal minimum wage standard through internet every year.
Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The payroll records and contracts indicated the rates based on working hours and position competency. The same wage rates for same work.
How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

Non-Compliance		Evidence																														
<a href="#">[Back to findings summary]</a>																																
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	建议工厂按照当地法律为所有符合条件的工人提供社会保险。如果有些工人不愿意参加和缴纳社会保险，厂方应举办培训，帮助他们了解社会保险的重要性。	
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## 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:

- The site uses fingerprint attendance machine to record workers' attendance every day.
- Based on workers' interview, overtime is voluntary.
- It's 40 working hours/week defined in labour contract and site rules.
- There is 1 kind of working shift in the site, as follows:  
07:30-11:30,13:00-17:00,1.5 hours for meal or rest.
- The Chinese Spring Festival is in February 2024,daily OT hours not exceed 3 hours/day,Weekly hours not exceed 60 hours/week,However, Monthly OT hours exceed 36 hours/month(please refer to NC for detail). Most of workers has arranged annual leave in February 2024 comply with legal law requirement.
- The attendance records of 10 workers randomly selected from September 2023(Random),February 2024(Random) and May 2024(Current/Last paid) were reviewed.
- The excessive overtime hours of the sampled workers found, please refer to NC.
- The maximum daily OT hours reached 2 hours per day.
- The maximum weekly working hours reached 56.5 hours in any 7-day period.
- The maximum monthly OT hours reached 60 hours per month.
- The sampled workers have at least 1 day in every 7-day period, up to 6 consecutive days.
- Total 1 NC raised during this audit.

### Evidence examined:

- Working hours procedure,No.TCHT-001-01,Ver:A/1,date:23 June 2018,
- Local and national laws about working time,
- Employee manual,No.TCHT-A/0-102Ver:A/0,date:8 May 2018,
- Attendance records, labour contracts in past 12 months,
- Quality and production records to cross check hours,
- Worker interview and management interview.

### Any other comments:

Nil

## Working hours' analysis

### Systems & Processes

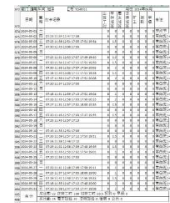
What timekeeping systems are used?	fingerprint attendance machine
------------------------------------	--------------------------------



Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days	<input type="checkbox"/> 2 in 14 days	<input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Maximum number of days worked without a day off (in sample):	6		
<b>Standard/Contracted Hours worked</b>			
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Overtime Hours worked</b>			
Actual overtime hours worked in sample (State per day/week/month)	2 hours/day, 16 hours/week, 59.5 hours/month. September 2023(Random) 2 hours/day, 15 hours/week, 40.5 hours/month. February 2024(Random) 2 hours/day, 16.5 hours/week, 60 hours/month. May 2024(Current/Last paid) Remarks: no peak season during the past 12 months.		
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The maximum weekly working hours reached 56.5 hours in any 7-day period.		
Approximate percentage of total workers on highest overtime hours:	100.0%		



Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information  Please give details:  Worker's OT voluntary was defined in labour contract and employee manual. All sampled workers stated that they worked overtime on voluntary basis.
<b>Overtime premium</b>	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A - there is no legal requirement to OT premium  Please give details:  The correct legal overtime premiums paid, detail as follows: •150% of normal wage for weekday overtime; •200% of normal wage for rest day overtime; •no work was arranged in official holidays, if work on official holidays, the site will pay 300% of regular wage for official holiday overtime.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  The extra overtime wages are paid for 100% workers per month.
If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements  <input checked="" type="checkbox"/> Other
Please give details	N/A. The OT wage shall be paid at least 150% of regular wage as per local law.
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)	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety  <input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)
Please give details	N/A. No more than 60 total hours per week
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	N/A. No 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Non-Compliance		Evidence																									
<a href="#">[Back to findings summary]</a>																											
<table><tr><th colspan="2">Non-Compliance</th></tr><tr><td>Status</td><td>OPEN</td></tr><tr><td>Reference</td><td>ZAF600550114</td></tr><tr><td>Clause</td><td>6 - Working Hours are not Excessive</td></tr><tr><td>Issue Title</td><td>480 - Overtime is not used responsibly i.e. extent, frequency and level of hours worked by individual workers and / or whole workforce are excessive</td></tr><tr><td>Subcategory</td><td>Overtime</td></tr><tr><td>New or carried over?</td><td><input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over</td></tr><tr><td>Root cause</td><td><input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other</td></tr><tr><td>Root cause - Other</td><td></td></tr><tr><td>Local law issue</td><td>In accordance with &lt;Labor Law of the People's Republic of China&gt;, Article 41, The employing unit may extend working hours as necessitated by its production or business operation after consultation with the trade union and laborers, but the extended working hour per day shall generally not exceed one hour; if such extension is needed for special reasons, under the condition that the health of laborers is guaranteed, the extended hours shall not exceed three hours per day. However, the total extension in a month shall not exceed thirty six hours. 中华人民共和国劳动法(2018修正),第四十一条:用人单位由于生产经营需要,经与工会和劳动者协商后可以延长工作时间,一般每日不得超过一小时;因特殊原因需要延长工作时间的,在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时,但是每月不得超过三十六小时.</td></tr><tr><td>ETI code</td><td>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.</td></tr><tr><td>Explanation to the non compliance</td><td>Reviewed 10 workers' attendance records which randomly selected from September 2023(Random),February 2024(Random) and May 2024(Current/Last paid). (Remark:Total 10 sampled workers including 2 cutting workers,6 sewing workers and 2 packing workers) . In September 2023,the monthly OT hours of 10 out of 10 sampled workers exceeded 36 hours/month,with the highest reached 59.5 hours/month. In February 2024,the monthly OT hours of 10 out of</td></tr></table>			Non-Compliance		Status	OPEN	Reference	ZAF600550114	Clause	6 - Working Hours are not Excessive	Issue Title	480 - Overtime is not used responsibly i.e. extent, frequency and level of hours worked by individual workers and / or whole workforce are excessive	Subcategory	Overtime	New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	Root cause - Other		Local law issue	In accordance with <Labor Law of the People's Republic of China>, Article 41, The employing unit may extend working hours as necessitated by its production or business operation after consultation with the trade union and laborers, but the extended working hour per day shall generally not exceed one hour; if such extension is needed for special reasons, under the condition that the health of laborers is guaranteed, the extended hours shall not exceed three hours per day. However, the total extension in a month shall not exceed thirty six hours. 中华人民共和国劳动法(2018修正),第四十一条:用人单位由于生产经营需要,经与工会和劳动者协商后可以延长工作时间,一般每日不得超过一小时;因特殊原因需要延长工作时间的,在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时,但是每月不得超过三十六小时.	ETI code	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.	Explanation to the non compliance	Reviewed 10 workers' attendance records which randomly selected from September 2023(Random),February 2024(Random) and May 2024(Current/Last paid). (Remark:Total 10 sampled workers including 2 cutting workers,6 sewing workers and 2 packing workers) . In September 2023,the monthly OT hours of 10 out of 10 sampled workers exceeded 36 hours/month,with the highest reached 59.5 hours/month. In February 2024,the monthly OT hours of 10 out of	 NC Monthly overtime hours exceed 36 hours.JPG
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	10 sampled workers exceeded 36 hours/month,with the highest reached 40.5 hours/month. In May 2024, the monthly OT hours of 10 out of 10 sampled workers sampled workers exceeded 36 hours/month,with the highest reached 60 hours/month. 随机检查了从2023年9月,2024年2月和2024年5月的10名工人的考勤记录.(备注: 2个裁剪工人, 6个针车工人和2给包装工人) •2023年9月,月加班时间达到59.5小时/月. •2024年2月,月加班时间达到40.5小时/月. •2024年5月,月加班时间达到60小时/月.
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other
Actions	It is recommended that the site shall arrange reasonable production plan to increase productivity and reduce the overtime hours within 3 hours per day and 36 hours per month. Workers shall be trained on health and safety dangers of excessive overtime. 建议现场合理安排生产计划,提高生产率,将加班时间减少到每天3小时以内,每月36小时以内.对工人进行过度加班的健康和安全危险培训.

## 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:

- The non-discrimination policy and procedure were available during the audit.
- Pregnancy tests, hepatitis B virus and HIV testing are not required for workers.
- No discrimination found during this audit.
- There was an internal grievance channels; all sampled interview workers were aware of the grievance mechanism (e.g., suggestion box), they can use the channel in case of they have any discrimination cases.
- No evidence of sexual harassment found during this audit.
- All workers were paid based on the skill performance and position.

#### Evidence examined:

- Anti-discrimination procedure, No.TCHT-001-06.1, Ver:A/1, date:23 June 2018,
- Recruitment and resign procedure, No.TCHT-001-44, Ver:A/1, date:23 June 2018,
- Job description and requirement
- Health check report,
- Attendance records, payrolls, worker contracts, on-boarding and termination records in the past 12 month,
- Training records (anti-discrimination, date:2 April 2024),
- Worker interview and management interview.

#### Any other comments:

Nil

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 100.0%	Female: 0.0%
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?	<input type="checkbox"/> Hiring  <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation  <input type="checkbox"/> Termination or retirement  <input type="checkbox"/> Access to training  <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No evidence of discrimination found.	
Professional Development		
What type of training and development are available for workers?	The site provides H&S training, business ethics training, skill training for workers.	
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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:

- The site has established recruitment and resign management rules.
- All workers in the site were Chinese, and they were recruited by the site directly. All migrant workers from other province in China.
- No labour agency was used to hire workers.
- No temporary workers, apprenticeship schemes and home workers used during this audit.
- No contractors were used in the site.
- No recruitment fee found during this audit.
- All workers have understood and signed written labor contract, and the copies of the labor contract were kept by workers

### Evidence examined:

- Recruitment and resign procedure, No.TCHT-001-44, Ver:A/1, date:23 June 2018,
- Attendance records, payrolls, labour contracts, hiring and termination records in the past 12 months,
- Training records (recruitment, resign and factory rules, date:2 April 2024),
- Management interview and worker 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?

- |                                                                  |                                                           |
|------------------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Terms & Conditions presented | <input checked="" type="checkbox"/> Understood by workers |
| <input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Migrant Workers</b>	
Type of work undertaken by migrant workers:	The migrant workers were from other provinces (e.g., production operator). Same as local province workers,
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Is there any observation on this finding?	N/A
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Non-employee workers</b>	
<b>Recruitment Fees</b>	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>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.)</b>	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	N/A,(no agency workers)
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A,(no agency workers)
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A,(no agency workers)
<b>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.)</b>	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A(no contractors)

Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A(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:**

- Based on interview, observation and document review, all production processes were present in the site.
- No sub-contracting, homeworking and external processing were used by the site.

**Evidence examined:**

- Production records in the past 12 month reviewed,
- Site tour,
- Worker interview and management interview.

**Any other comments:**

Nil

**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:

- The site has established policy and procedure to prevent harassment and abuse.
- Workers have been trained on disciplinary procedure. All sampled workers are aware of disciplinary procedure.
- There is internal anonymous grievance mechanism in the site, e.g., suggestion box.
- Any received complaint would be handled by management, without any reprisal for workers. All sampled workers were aware of this mechanism.
- No physical abuse, threat of physical abuse, sexual abuse or harassment found.

#### Evidence examined:

- Anti-harassment and abuse procedure, No.TCHT-001-06.2, Ver:A/1, date:23 June 2018,
- Disciplinary procedure, No.TCHT-001-05, Ver:A/1, date:23 June 2018,
- Employee manual, No.TCHT-A/0-102 Ver:A/0, date:8 May 2018 (including Internal grievance channel),
- Training records (anti-harassment and abuse, date:2 April 2024),
- Site visit,
- Worker interview and management 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The site has suggestion box for reporting any violations or grievances. Hotline of 3rd party were posted in the site. (e.g., 110, 120, 119)
If yes, are workers aware of these channels and have access? Please give details.	Based on workers' interview, they are aware of the channel and how to use the channel.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Based on interview and onsite observation, auditor found mechanism (suggestion box) and hotline (e.g., 110, 120, 119) used in the site.
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities <input checked="" type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	The site has suggestion box for reporting any violations or grievances.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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:**

- Only workers with a legal right to work are employed.
- All workers personal ID copy were kept for validated by the supplier for their legal right to work by reviewing original documentation.

**Evidence examined:**

- Recruitment and resign procedure, No.TCHT-001-44, Ver:A/1, date:23 June 2018,
- Per roster check and company management 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:

- Mr.Weiwei Huang/Vice GM was responsible for environmental management.
- The site has established and implemented environment management procedures.
- The legally required certificate was available and valid during this audit.
- The site was aware of its and client's environmental standards.
- The site has set up environmental policy, covering their environmental impact, which is communicated to all appropriate parties, (e.g., suppliers and employees, etc.), however, 1 NC raised.
- The site has performed assessment regarding its process, environmental aspect and impact.
- The site has measured its impacts, including continuous recording and regular reviews of use and discharge of natural resources (e.g., energy use, water use) in the past 12 months.
- The site has conducted internal audit and management review including continuous improvements in their environmental performance.
- The wastes were classified and collected on site.
- Based on workers' interview, they were trained on environmental protection.
- No fines and prosecutions for noncompliance with environmental regulations in the past 12 months.
- The SAQ was completed and shared with auditor.

##### Evidence examined:

- Environment policy and procedure,No.TCHT-001-12,Ver:A/1,date:23 June 2018,
- Training records (topic:chemical safety,date:2 April 2024),
- Environment risk assessment record(date: March 2024),
- The current year and the last year's energy resource usage and discharge,
- Chemical list,
- Environment emergency plan,
- Source of fixed pollution discharge registration form:No.913411007430870634001Y,valid until 24 October 2025,
- Supplier Commitment letter.
- Site tour,
- Workers and management interview,

**Any other comments:**

Nil

Environmental Analysis	
Is there a manager responsible for Environmental issues (Name and Position):	Mr.Weiwei Huang/Vice GM
Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The risk assessment records indicated that environmental factors, impact and risk were identified, any high risk, the site will take action to reduce risk. (date: March 2024)
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Environmental impacts list was established. Key impacts were identified. The controlled methods and objectives were established for improvement.
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: •Source of fixed pollution discharge registration form:No.913411007430870634001Y,valid until 24 October 2025,

Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: No hazardous chemicals used.	
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: This was included in the site's internal environment management system.	
Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Annual reduction targets(e.g., Water consumption and electric consumption) were available for review.	
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No waste recycled.	
Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Water and electricity consumption was recorded accurately by local bureau	
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No sub-contracting agency. The site will check the license if any sub-contracting agencies and business partners working onsite	
<b>Usage/Discharge analysis</b>		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	54000	30000
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 supply company	local water supply company
Water Volume Used	258	132
Water Discharged	municipal sewage treatment plant	municipal sewage treatment plant
Water Volume Discharged	216	118
Water Volume Recycled	0	0
Total waste produced	2.4 tons	1.1 tons

Total hazardous waste produced	0	0
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	2.4 tons to local sanitary company	1.1 tons to local sanitary company
Total Product Produced	2,000,000 PCS	1,100,000 PCS



Non-Compliance		Evidence																												
<a href="#">[Back to findings summary]</a>																														
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**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:**

- Mr.Weiwei Huang/Vice GM was responsible for implementing standards concerning Business Ethics.
- The site established business ethics policy and procedure which covering bribery, corruption, or any type of fraudulent Business Practice.
- No bribery, corruption and fraudulent business practice found during this audit.
- The training records indicated that the higher-level risk job has trained on business ethics in the past 12 months.
- The site has communicated business ethics policy to all appropriate parties, (e.g., communicate to suppliers via supplier letters), covering bribery, corruption, or any type of fraudulent business practice.
- There is an internal confidentially grievance process without fear of reprisals towards the reporter, such as: suggestion box.
- The audited site had received and read the business ethics policy of the auditor/audit company.
- The audited site had signed COC of the auditor company.
- No fines/prosecutions for non-compliance to Business Ethics regulations in the past 12 months.

**Evidence examined:**

- Business ethics policy and procedure,No.TCHT-001-48,Ver:A/1,date:23 June 2018,
- Business ethics training records (date:30 April 2024),
- Appointment of management representative,
- Employee manual,No.TCHT-A/0-102Ver:A/0,date:8 May 2018 (including Whistle-blowing channel),
- Risk assessment on business ethics(date: March 2024),
- Worker interview and management interview.
- Supplier Commitment letter.

**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?	<input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers Please give details: The site has established business ethics policy and procedure, and the training records indicated that related workers were trained, and contracts indicated that suppliers shall comply with site's business ethics. The site has signed COC of the auditor company.
Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The business ethics training indicated that purchase, sales and logistics staffs have received training on business ethics. (date:30 April 2024).
Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site will review the policy annually and updated it as need.
Does the site require third parties including suppliers to complete their own business ethics training	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No require third parties including suppliers to complete their own business ethics training.

## Attachments



site name.jpg



site gate.jpg



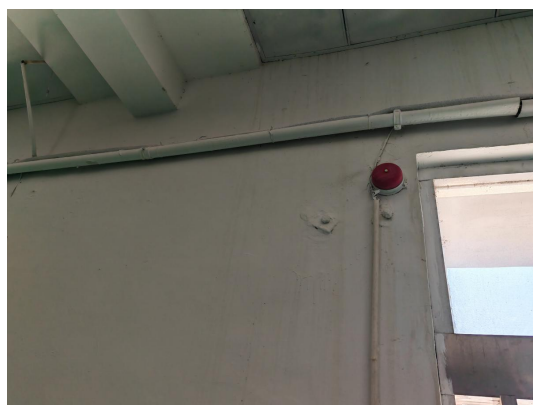
building outlook.jpg



cutting process.jpg



sewing process.jpg



fire alarm.jpg





fire hydrant.jpg



fire extinguisher.jpg



safety exit.jpg



drinking water.jpg



worker wear protective glove.jpg



chemicals with anti-leakage facility.jpg



attendance machine.jpg



waste storage area.jpg



toilet.jpg



first aid kit.jpg



suggestion box.jpg



Signed CAPR.pdf



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

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