

---

Auditee :	<b>Henghua Footwear Technology Limited</b>
Audit Date From :	<b>09/11/2020</b>
Audit Date To :	<b>10/11/2020</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>BureauVeritas</b>
Auditor's Name(s) :	<b>Terry Lai(Lead)</b>
Auditing Branch (if applicable) :	

---



This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.  
Access [www.bsciplatform.org](http://www.bsciplatform.org), for entitled users only.

All rights reserved. No part of this publication may be reproduced, translated, stored in a retrieval system, or transmitted, in any form or by any means electronic, mechanical, photocopying, recording or otherwise, be lent, re-sold, hired out or otherwise circulated without the amfori consent.

This is an extract of the amfori BSCI Audit Report, which is available in the amfori BSCI Platform. © amfori, 2018 - The English version is the legally binding One.

**Rating Definitions**



Rating	A combination of ratings per Performance Area where:	Consequence																																							
<p><b>A</b> <b>Very Good</b></p>	<ul style="list-style-type: none"> <li>• Minimum 7 Performance Areas rated A</li> <li>• No Performance Areas rated C, D or E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	B	B	B	B	B	B	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
A	A	A	A	A	A	A	A	A	A	A	A	A																													
A	A	A	A	A	A	A	A	A	A	B	B	B																													
A	A	A	A	A	A	A	B	B	B	B	B	B																													
<p><b>B</b> <b>Good</b></p>	<ul style="list-style-type: none"> <li>• Maximum 3 Performance Areas rated C</li> <li>• No Performance Areas rated D or E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr> <tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td></tr> </table>	A	A	A	A	A	A	B	B	B	B	B	B	B	A	A	A	A	A	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	C	C	C	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
A	A	A	A	A	A	B	B	B	B	B	B	B																													
A	A	A	A	A	B	B	B	B	B	B	B	C																													
B	B	B	B	B	B	B	B	B	B	C	C	C																													
<p><b>C</b> <b>Acceptable</b></p>	<ul style="list-style-type: none"> <li>• Maximum 2 Performance Areas rated D</li> <li>• No Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td></tr> <tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr> </table>	A	A	A	A	A	A	A	A	A	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	D	C	C	C	C	C	C	C	C	C	C	C	D	D	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
A	A	A	A	A	A	A	A	A	C	C	C	C																													
A	A	A	A	A	B	B	B	B	C	C	C	D																													
C	C	C	C	C	C	C	C	C	C	C	D	D																													
<p><b>D</b> <b>Insufficient</b></p>	<ul style="list-style-type: none"> <li>• Maximum 6 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>E</td></tr> <tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	E	D	D	D	D	D	D	D	E	E	E	E	E	E	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
A	A	A	A	A	A	A	A	A	A	D	D	D																													
A	A	A	B	B	B	C	C	C	D	D	D	E																													
D	D	D	D	D	D	D	E	E	E	E	E	E																													
<p><b>E</b> <b>Unacceptable</b></p>	<ul style="list-style-type: none"> <li>• Minimum 7 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	<p>amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.</p>
A	A	A	A	A	A	E	E	E	E	E	E	E																													
A	A	B	B	C	D	E	E	E	E	E	E	E																													
E	E	E	E	E	E	E	E	E	E	E	E	E																													
<p><b>Zero Tolerance</b></p>	<p>A Zero Tolerance issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)</p>	<p>Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.</p>																																							

**Main Auditee Information**



Name of producer :	<b>Henghua Footwear Technology Limited</b>		
DBID number :	<b>405766</b>		
Audit ID :	<b>197322</b>		
Address :	<b>No.33, Hecang Road, Houjie Town Dongguan</b>		
Province :	<b>Guangdong</b>	Country :	<b>China</b>
Management Representative :	<b>Wenxiong Jie</b>		
Contact person:	<b>Wenxiong Jie</b>	Sector :	<b>Non-Food</b>
Industry Type :	<b>Textiles, clothing, leather</b>	Product group :	<b>Footwear (including sport shoes)</b>
Product Type :	<b>Women shoes</b>		

**Audit Details**



Audit Range :	<input checked="" type="checkbox"/> Full Audit	<input type="checkbox"/> Follow-up Audit	
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms	
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural	<input type="checkbox"/> Small Producer
Audit Announcement :	<input checked="" type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced	<input type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No		
Audit extent (if applicable) :	none		
Audit interferences or contingencies (if applicable) :	none		
Overall rating :	C		
Need of follow-up :	Yes	If YES, by : 10/11/2021	

Rating per Performance Area (PA)												
PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
C	A	A	A	B	D	A	A	A	A	A	C	A

**Executive summary of audit report**

At the beginning of the audit, Mr. Duan Wei / Factory Director, Mr. Zhou Liang / Administration Supervisor, Mr. Teng Song / Worker Representative attended the opening meeting.

The factory was established on October 11, 2014 and specialized in the manufacture of women shoes. Business license number was 91441900315037131J. Factory name in English was Henghua Footwear Technology Limited. Factory local name was 东莞市恒华鞋业科技有限公司. Factory address in English was No.33, Hecang Road, Houjie Town, Dongguan City, Guangdong Province. Factory local address was 东莞市厚街镇厚街村禾仓路33号. The factory rented the 2nd floor of one 3-storey production building as workshops, warehouse and office. Total construction area was about 1200 square meters. No dormitory or canteen was provided by the factory. The main production processes included cutting, sewing, forming, inspection and packing. There were a total of 91 employees with 80 production workers and 11 non-production staffs in the factory. The youngest employee noted during this audit was 21 years old. According to factory management representation, there was no obvious peak season in the factory during the year.

The factory adopted biometric fingerprint system to record employees' working hours. There was only one working shift for employees and working hours were 8:00 to 12:00 and 13:30 to 17:30. Employees' wages were paid by the end of each month after the payment period per bank transfer with wage stubs issued. Per payroll review and interviews with management and employees, all employees were paid by hourly rate.

During the audit, 30 employees' time records and payrolls were sampled as follows for working hour and wage testing: 10 samples from current paid month of September 2020, 10 samples from random months of August 2020 and January 2020 respectively. Besides, auditor randomly selected 5 employees' time records from the most recent complete month of October 2020 for review. It was noted that all sampled employees were paid at least RMB9.89 per hour for normal working hours, which met the local minimum wage of RMB1720 per month or RMB9.89 per hour since July 1, 2018. Based on the samples, all employees were compensated with no less than 150% and 200% of normal wages for overtime hours on regular days and rest days respectively, which was compliance with legal requirement. No overtime was found on statutory holidays. According to the sampled time records, the maximum monthly overtime hours were 92 hours while maximum daily overtime hours were 2 hours. All sampled employees obtained at least one day off every seven consecutive days.

According to the social insurance payment receipt provided by factory management, it was noted that only 16 out of 91 employees (17.58%) were provided with accident insurance, pension insurance, unemployment insurance, maternity insurance and medical insurance in October 2020. The factory had provided commercial accident insurance to 87 employees with a valid period from September 1, 2020 to August 31, 2021. As a result, all employees were covered with accident insurance.

Further, 10 employees were selected for private interviews from different workshops. No negative comment was issued during employee interviews. Interviewed employees were satisfied with the working environment, compensation, working hour and management team in the factory.

During the closing meeting, auditor provided the factory representatives with a general overview and explained all of the findings to them. Mr. Duan Wei / Factory Director, Mr. Teng Song / Worker Representative signed the onsite CAP and agreed to take corrective action.

Remark:

- The auditee rented the 2nd floor of one 3-storey production building as workshops, warehouse and office. Per onsite observation and document review, the 1st floor was used by Dongguan Youli Zipper Co., Ltd and Dongguan Huiying Food Management Service Co., Ltd with independent business licenses, separate management system, payroll and attendance system. No worker exchange was found. The 3rd floor was kept idle as per onsite observation.
- No agency or contractor was used by the auditee. No government waiver was obtained by the auditee. No Collective bargaining agreement in the auditee.
- Audit Company: Bureau Veritas Consumer Products Service  
Audit Company APSCA Number: 11600002  
Lead Auditor Name: Terry Lai  
APSCA Auditor Registered Number: RA21701187



**Ratings Summary**



<b>Auditee's background information</b>			
Auditee's name :	<b>Henghua Footwear Technology Limited</b>	Legal status :	<b>Ltd company</b>
Local Name :	东莞市恒华鞋业科技有限公司 (91441900315037131J)	Year in which the auditee was founded :	<b>2014</b>
Address :	<b>No.33, Hecang Road, Houjie Town</b>	Contact person (please select) :	<b>Wenxiong Jie</b>
Province :	<b>Guangdong</b>	Contact's Email :	<b>xing9806@vip.163.com</b>
City :	<b>Dongguan</b>	Auditee's official language(s) for written communications :	<b>Mandarin</b>
Region :	<b>North East Asia</b>	Other relevant languages for the auditee :	<b>None</b>
Country :	<b>China</b>	Website of auditee (if applicable) :	<b>None</b>
GPS coordinates :	<b>N22°56'39" E113°38'34"</b>	Total turnover (in Euros) :	<b>2000000.00</b>
Sector :	<b>Non-Food</b>	Of which exports % :	<b>100.00</b>
Industry :	<b>Textiles, clothing, leather</b>	Of which domestic market % :	<b>0.00</b>
If other, please specify :		Production volume :	<b>300000 pairs per year</b>
Product Group :	<b>Footwear (including sport shoes)</b>	Production cost calculation :	<b>Yes</b>
If other, please specify :		Lost time injury calculation cost :	<b>Yes</b>
Product Type :	<b>Women shoes</b>		

<b>Auditee's employment structure at the time of the audit</b>		
Total number of workers :	<b>91</b>	Total number of workers in the production unit to be monitored (if applicable) :
	<b>MALE WORKERS</b>	<b>FEMALE WORKERS</b>
Permanent workers	<b>33</b>	<b>58</b>
Temporary workers	<b>0</b>	<b>0</b>
In management positions	<b>6</b>	<b>1</b>
Apprentices	<b>0</b>	<b>0</b>
On probation	<b>0</b>	<b>0</b>
With disabilities	<b>0</b>	<b>0</b>
Migrants (national citizens)	<b>32</b>	<b>58</b>
Migrants (foreign citizens)	<b>0</b>	<b>0</b>
Workers on the permanent payroll	<b>33</b>	<b>58</b>
Production based workers	<b>0</b>	<b>0</b>
With shifts at night	<b>0</b>	<b>0</b>
Unionised	<b>0</b>	<b>0</b>
Pregnant	<b>-</b>	<b>0</b>
On maternity leave	<b>-</b>	<b>0</b>

**Finding Report**



**Performance Area 1 : Social Management System and Cascade Effect**

Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: C

Deadline date:09/05/2021

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

The auditee had established an effective management to implement the BSCI Code of Conduct as requirement, and to ensure daily operations work in line with BSCI. The auditee had appointed a senior management staff to ensure that the BSCI values and principles were followed in a satisfactory manner, such as following up with the grievance mechanism, ensuring that workers receive and have received training relevant to the BSCI values and principles, occupational health and safety risk assessments, and also BSCI CoC had already been posted on site. Furthermore, the auditee had established the policy of selection of business partners and conducted periodic social responsibility assessment for their main business partners to ensure that they could met the requirement of BSCI CoC.

被审核方已经参照BSCI要求建立了有效的管理体系, 并且确保每日的运营遵照BSCI规定。被审核方任命了一名高级管理人员以确保其充分遵循BSCI价值和原则要求, 如跟进申诉机制, 确保员工受到并已受到有关BSCI价值和原则标准的培训, 职业健康与安全风险评估等等, 现场也张贴了BSCI行为准则。同时被审核方建立了商业伙伴挑选程序, 并且定期对主要商业合作伙伴进行社会责任评估以确保其符合BSCI行为守则的要求。

- 1.4 - The factory did not recruit enough employees or organize its workforce capacity to meet the expectations of the delivery order and/or contracts, because employees' overtime hours exceeded legal limit. BSCI Code of Conduct: The auditee should organize its workforce capacity to meet the expectations of the delivery order and/or contracts.

审核发现工厂没有足够的员工或者进行良好的生产组织来达成交付订单和/或合同预期, 因为员工月加班超出法律规定。BSCI行为守则: 被审核方(生产商)组织其劳工来达成交付订单和/或合同预期和要求。

**Remarks from Auditee:**

None

**Performance Area 2 : Workers Involvement and Protection**

Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A

Deadline date:09/01/2021

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

BSCI Code of Conduct in new version was displayed in the workshop for the workers' awareness. Workers and management staff were trained on BSCI COC and TOI upon their hire and refreshed annually. Satisfactory evidence was provided to show that the facility had freely and democratically elected worker representatives. One worker representative was elected by workers freely in April 2020. The facility had held the meetings with the worker representatives regularly. The facility had provided various ways for the workers to report grievances such as the suggestion box and open door policy. Within the past 1 year, there had been no reported grievances. Workers were not retaliated from reporting grievances.

最新版本的BSCI的行为准则有张贴在车间, 员工可以随时了解到BSCI准则的书面要求。员工和管理人员在入职时有进行BSCI行为准则和商业伙伴实施条款的培训, 并且每年有进行复训。有充足的证据显示工厂有自由选举的员工代表。工厂现在有1名于2020年4月选举的员工代表。工厂有与员工代表定期就社会责任问题举行定期会议。工厂有给员工提供多种途径去汇报抱怨, 如意见箱和开放式政策。在过去1年终, 没有汇报申诉的案例。员工不会因为汇报申诉被打击报复。

- 2.4 - The factory had provided training on BSCI Code of Code of Conduct to all employees and BSCI COC was also posted onsite for employees' reference. However, the workers or worker representatives were not well aware of BSCI Code of Conduct. BSCI Code of Conduct: The auditee builds sufficient competence to successfully embed responsible practices in the business operation. This refers to managers, workers and workers representatives.

工厂对所有员工进行了BSCI行为守则培训, 并且现场张贴了BSCI行为守则供员工阅读, 但是, 工人及工人代表对BSCI行为守则认识不够充分。BSCI行为守则: 被审核方(生产商)充分培养下列人士的能力, 以便在业务经营中成功结合责任规范, 包括经理、工人和工人代表。

**Remarks from Auditee:**

None

**Performance Area 3 : The rights of Freedom of Association and Collective Bargaining**

Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A

Deadline date:

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

The auditee had set up the social policy regarding freedom of association and collective bargaining, which allowed workers to participate associations on their own will if legally permitted and prohibited discriminating those workers for any identity. Workers' representatives were not discriminated but had free access to workers and were encouraged to communicate with workers regarding anything about workers' rights and obligations.

被审核方建立了有关自由结社和集体谈判的社会责任政策, 尊重员工自由参加法律允许的团体或组织的自由和权利, 而且禁止对这些员工有任何歧视的行为。员工代表没有受到歧视, 而是可以自由地接近员工并被鼓励积极与员工沟通有关其权利和义务的任何问题。

**Remarks from Auditee:**

None



<b>Performance Area 4 : No Discrimination</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> The main auditee had established a written policy on anti-discrimination. The policy defined that the main auditee would not discriminate workers by race, gender, ages, etc. According to interview statement with workers, workers could use the grievance system through suggestion boxes or telling to worker representative once workers' right was infringed. Furthermore, the policy on discipline measures made by the main auditee was in line with legal requirement. The person who raise grievance would not receive any discriminatory practices. 被审核方建立了反歧视的政策，反歧视政策中表明被审核方不会因为种族，性别，年龄等原因对员工区别对待。依照员工访谈，若员工的权利受到任何侵害，员工可以通过意见箱或和员工代表反馈的形式进行投诉。而且，通过查看被审核方的惩戒措施程序，其描述的措施均符合法规和BSCI要求。工人不会因为提出申诉而受到歧视。	
<b>Remarks from Auditee:</b> None	
<b>Performance Area 5 : Fair Remuneration</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: B	Deadline date:09/05/2021
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> The main auditee had set up wage and benefits paying system, which included paid statutory holidays, sick leave, annual leave, marriage leave and maternity leave etc. Based on the wages and time records provided by the main auditee, workers were paid by hourly rate. Employees minimum wage was paid at least RMB9.89 per hour, which was not less than local minimum wage standard of RMB9.89 per hour. Employees' wages were paid by 30th of each month after the payment cycle. During the audit, no unreasonable deduction or illegal deduction was found. Currently, the auditee was only able to provide social insurance to partial employees, but the auditee was willing to increase the coverage rate step by step. 被审核方制定了工资支付政策和福利政策，福利政策包括给员工提供法定节假日，病假，婚假，产假等假期。根据被审核方提供的工资和考勤记录显示，员工按计时计算工资。员工的最低工资是9.89元/小时，不低于当地最低工资标准（9.89元/小时）。员工的工资在工资结算周期后的30日以前发放。审核过程中，未发现被审核方有不合理或者非法扣款现象。目前被审核方仅能为部分员工提供社会保险福利，但是愿意逐步提高员工的社保参保率。 <b>5.5 -</b> According to the social insurance payment receipt provided by factory management, it was noted that only 16 out of 91 employees (17.58%) were provided with accident insurance, pension insurance, unemployment insurance, maternity insurance and medical insurance in October 2020. In accordance with Article 73 of the Labor Law of the People's Republic of China No evidence indicated that the insufficient coverage of social insurance was caused by the employees' unwillingness to participate in the program. Local government department did not mandatorily required the factory to provide all five types of social insurances to all employees. The factory had provided commercial accident insurance to 87 employees with a valid period from September 1, 2020 to August 31, 2021. As a result, all employees were covered with accident insurance. Factory management represented that they could not provide all five types of insurances to all employees currently and had not set up a plan to increase the social insurance participation rate so far. 审核员发现工厂的社会保险覆盖不足。根据厂方提供的2020年10月社会保险缴费单据显示工厂仅为16/91名员工（17.58%）购买了工伤保险，养老保险，失业保险，生育保险和医疗保险。根据《中华人民共和国劳动法》第73条 没有记录显示员工不愿意购买社保。当地政府部门没有强制要求所有员工都购买5种保险。工厂有为87名员工购买了商业意外保险（有效期：2020年9月1日-2021年8月31日）。因此，所有员工都有覆盖工伤保险。工厂表示暂时未能为所有员工提供五险，并且，当前没有提高员工参保率的计划。	
<b>Remarks from Auditee:</b> None	



<b>Performance Area 6 : Decent Working Hours</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: D	Deadline date:09/05/2021
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>The auditee had provided the time records since October 2019 for review. There was no obvious peak season in the factory. The auditee arranged one shift for all employees. The normal working hours were 8:00-12:00, 13:30-17:30, Monday to Friday. They need to over time on Saturday. The maximum overtime hours were 2 hours a day and 92 hours a month. Employees would obtain at least one day off every seven consecutive days. Employees' overtime wages were compensated in accordance with law requirement. Working hours were recorded by biometric fingerprint system.</p> <p>工厂提供了自2019年10月起的工资和考勤记录以供查看。工厂没有明显的旺季。全厂员工实行一班工作制。工作时间为8:00-12:00, 13:30-17:30, 周一至周五工作。员工周六加班。最大日加班时间为2小时, 最大月加班时间为92小时。员工每七天至少获得一天休息。员工的加班工资按照法规要求支付。工作时间通过指纹系统记录。</p> <p><b>6.2 -</b> It was noted that 33 out of 35 sample population employees worked in excess of the statutory overtime hour limits. A review of 35 sample population employees' time records (10 samples from current paid month of September 2020, 10 samples from random months of August 2020 and January 2020 respectively, 5 samples from most recent complete month of October 2020) yielded the following: a) 9 (selected from various departments) out of 10 sample population employees' monthly overtime in September 2020 reached 66 to 76 hours, b) 10 (selected from various departments) out of 10 sample population employees' monthly overtime in August 2020 reached 40 to 82 hours, c) 9 (selected from various departments) out of 10 sample population employees' monthly overtime in January 2020 reached 38 hours, d) 5 (selected from various departments) out of 5 sample population employees' monthly overtime in October 2020 reached 84 to 92 hours, which exceeded the legal limit of 36 hours per month. In accordance with Article 41 of the Labor Law of the PRC</p> <p>根据厂方提供的工时记录, 审核员发现员工加班时间超出了法定标准。审核员从厂方提供的工资和考勤记录中工抽取35个样本(从最近工资支付月份2020年9月, 从随机月份2020年8月和 2020年1月各抽取10个样本, 从最近考勤完整月份2020年10月抽取5个样本), 发现共33名员工加班时间超出了法定标准, 具体为: a) 9/10名抽样员工在2020年9月的加班时间为66-76小时; b) 10/10名抽样员工在2020年8月的加班时间为40-82小时; c) 9/10名抽样员工在2020年1月的加班时间为38小时; d) 5/5名抽样员工在2020年10月的加班时间为84-92小时, 超过每月加班时间不能超过36小时的法律规定。根据《中华人民共和国劳动法》第41条。</p>	
<b>Remarks from Auditee:</b> None	

**Performance Area 7 : Occupational Health and Safety**

Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A

Deadline date:09/01/2021

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

The auditee had made its own health and safety regulations and rules based on the legal requirements and BSCI Code of Conduct and also established OHS committee. A risk assessment was conducted throughout the facility. The factory had appointed specialized management staff to take charge of the OHS affairs and provided periodical health and safety training to workers regarding such as medical emergency treatment, PPE usage, chemical safety, machine operation, fire drill exercises and etc. Fire drills were conducted at least twice per year and the latest fire drill was conducted in October 2020. Furthermore, the factory provided a safe and comfortable working environment to workers: installing sufficient fire equipment, inspecting the fire equipment and facilities on a monthly basis, providing sufficient toilets, first aid kits, and qualified drinking water, and etc.

被审核方根据法律要求以及BSCI的要求建立了健康安全规定和守则，同时也建立了环境健康安全委员会。被审核方对整个厂区由进行风险评估。工厂委任专门的管理层代表负责健康安全事宜并定期给员工举行关于健康安全的培训，比如医疗救护培训、个人防护用品培训、化学品安全培训、机器设备操作培训、消防演习等。消防演习每年至少举行两次，最近一次消防演习时间是2020年10月。另外，工厂给员工提供了安全的工作环境，比如提供了足够的消防设备、对消防设备和器材等每月进行检查、提供了足够的洗手间、急救药箱、合格的饮用水等。

**7.1 -** 1. It was noted that the safety training for the safety production management personnel in the factory did not obtained the safety training qualification certificate. In accordance with Article 21 of Law of the People's Republic of China on Production Safety, Article 10 of Provisions on safety training for production and business units 2. It was noted that one cargo lift was used in the factory, but the Special Equipment Safety Management Certificate was not provided for review. In accordance with Article 38 of Safety Monitoring Regulation of Special Equipment

1. 审核员发现厂方的安全生产管理人员没有获得培训合格证书。根据《中华人民共和国安全生产法》第二十一条，《生产经营单位安全培训规定》第十条 2. 审核员发现工厂当前使用1台货梯，但厂方未能提供特种设备安全管理人员证书供审阅。根据《特种设备安全监察条例》第38条

**7.6 -** The factory had provided active carbon masks and rubber gloves to employees using glue in the forming workshop for free of charge. However, as per onsite observation, 1 out of 10 employees using glue in the forming workshop were not wearing the provided rubber gloves and were wearing medical masks rather than active carbon masks. In accordance with Article 42 of Law of the People's Republic of China on Production Safety

工厂为成型车间使用胶水的员工免费提供了活性炭口罩和橡胶手套，但是，现场巡视发现成型车间1/10名使用胶水的员工没有佩戴工厂提供的橡胶手套，并且佩戴的口罩是医用口罩，并非活性炭口罩。根据《中华人民共和国安全生产法》第42条

**7.7 -** It was noted that no anti-leakage facility (e.g. secondary container) was available for the glue stored in the chemical storage area. In accordance with article 20 of Regulation for Safety of Hazardous Chemical The factory had established a written chemical management procedure and the employees who worked in contact with chemicals were provided with safety training.

审核员发现工厂化学品存放区存放的胶水没有设置防渗漏设施（如：二次容器）。根据《危险化学品安全管理条例》第20条 工厂建立了化学品管理程序，并且有对使用化学品的员工进行安全培训。

**7.21 - Remark:** No canteen was provided by the auditee.

备注：被审核方没有提供餐厅给员工。

**7.23 - Remark:** No transportation was provided by the auditee.

备注：被审核方没有提供交通给员工。

**7.24 - Remark:** No dormitory was provided by the auditee.

备注：被审核方没有提供宿舍给员工。

**Remarks from Auditee:**

None

**Performance Area 8 : No Child Labour**

Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A

Deadline date:

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

The auditee had established the social policy and procedures on no child labor, age verification mechanism, recruitment procedures and remedial procedures in case children were found. It was noted that the HR related officer had to check the ID and age during the hiring process. Through management interview, worker representative interview and employee interview, all knew the child labor forbidden policy and confirmed no child labor in the factory. The interviewees stated that no child ever appeared in the factory before.

被审核方建立了有关禁止使用童工的社会责任政策和程序、年龄核对机制、招聘程序以及童工补救政策等。负责招聘的相关HR人员知道他们必须严格核实新员工的年龄。员工面谈，员工代表面谈和管理层面谈都证实清楚的知晓禁止童工政策并且确定工厂没有童工。被访谈的员工表示厂区内从来没有出现过儿童。

**Remarks from Auditee:**

None

<b>Performance Area 9 : Special protection for young workers</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> The auditee had set up the social policy and procedures on young workers' protection and also conducted risk assessment for young workers. Although there was no young worker working in the factory currently, the auditee had a clear understanding that young workers were more vulnerable than most workers and stipulated a series of protection rules for young workers, such as, young workers should be adequately protected against any harmful working condition, should not be engaged in night shifts, should have access to effective grievance mechanism, and should be properly trained on OHS, etc. 被审核方建立了有关未成年工保护的社 会责任政策和程序, 并针对未成年工人做了风险评估。尽管被审核方目前没有使用未成年工, 但对于未成年工的保护仍有充分的认知, 且制定了一系列的未成年工保护规定, 比如: 不得安排未成年工从事有毒有害的工作, 不得安排未成年工上夜班, 需要给未成年工提供有效的申诉渠道, 需要给未成年工提供有关健康安全的培训, 等等。	
<b>Remarks from Auditee:</b> None	
<b>Performance Area 10 : No Precarious Employment</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> The auditee had set up hiring procedures and provided orientation training to workers about their legal rights and responsibilities regarding such as wages and benefits, working hours, occupational health and safety, disciplinary measures, etc. As per documents review, on-site observation and worker interviews, it was noted that there were no temporary workers, home workers or students at school ages hired by the factory and the factory also did not use dispatched workers. At the same time, the factory signed labor contracts with all workers and also provided copies of the labor contracts to all workers. 被审核方建立了招聘程序并给新进员工提供了关于合法权利与义务的入职培训, 比如有关工资福利、工作时间、职业健康安全、惩戒措施等。通过文件审核, 现场审核以及员工访谈, 发现被审核方没有使用临时员工、家庭工人以及学生工, 所有员工都是被审核方直接招聘, 没有使用劳务派遣工。同时, 被审核方和所有员工都签订了劳动合同并给员工提供了一份劳动合同副本。	
<b>Remarks from Auditee:</b> None	
<b>Performance Area 11 : No Bonded Labour</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> Based on site tour, document review and interview, the auditee didn't limit the employees' freedom including resignation or ask for leave from the factory. The inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse never occurred. There was no prison labour or forced labour. No ID card or wage was withheld by factory. It was observed that workers were working without pressure. Disciplinary measures were all reasonable: Verbal warning, warning letter and termination. 基于现场走访, 文件评估和访谈, 被审核方没有限制员工的自由, 包括离职或请假。工人从未受到不人道或有辱人格的待遇、体罚、精神或肉体胁迫和/或辱骂。工厂里没有监狱劳工或强迫劳动。工厂没有扣留工人的身份证和工资。员工在工厂里没有压力。处罚措施是合理的, 处罚措施包括: 口头警告, 警告信和解雇。	
<b>Remarks from Auditee:</b> None	

<b>Performance Area 12 : Protection of the Environment</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: C	Deadline date:09/01/2021
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>The auditee had established written environmental protection procedure and designated a specific person to collect and update environmental laws to respect law requirements. During plant tour, it was found waste was not dumped in natural environments, or burned on open fires. No obvious pollution was found in this factory. The hazardous waste was disposed by a qualified contractor. The factory did not receive any fines from local environment bureau ever since.</p> <p>被审核方建立了相关的环境方针政策，并且有指定专人进行环境法律法规收集和更新，来保证遵守当地的法律要求。现场参观未发现废弃物直接倾倒入自然环境中或者明火燃烧。现场未发现明显污染现象。工厂的危险废弃物交由有资质的回收商处理。工厂从来没有收到过当地环保部门的处罚。</p> <p><b>12.1 -</b> It was noted that factory failed to provide the report of environmental impacts, the report form of environmental impacts or the registration form of environmental impacts of the construction of the facility. In accordance with the Article 16 of Law of the People's Republic of China on Appraising of Environment Impacts                      审核员发现工厂未能提供环评文件供查看。根据《中华人民共和国环境影响评价法》第16条</p> <p><b>12.3 -</b> 1. It was noted that factory management was unable to provide the registration or approval of environmental impact appraisal documents for review. In accordance with the Article 22 of Law of the People's Republic of China on Appraising of Environment Impacts, Article 3, 7, 12 and 15 of Registration measures on the administration of environmental impact registration forms of construction projects 2. It was noted that factory management was unable to provide the approval document for on-site inspection and acceptance of completed environmental protection facilities for review. In accordance with Article 17 of the Regulations on Environmental Protection Check and Acceptance for Completed Construction Project                      1. 审核员发现工厂未能提供环境影响评价文件备案或者批复供查看。根据《中华人民共和国环境影响评价法》第22条，《建设项目环境影响登记表备案管理办法》第3条，第7条，第12条，第15条 2. 审核员发现工厂未能提供建设项目竣工环境保护验收文件。根据《建设项目竣工环境保护验收管理办法》第17条</p>	
<b>Remarks from Auditee:</b> None	
<b>Performance Area 13 : Ethical Business Behaviour</b>	
Full Audit [Audit Id - 197322] Audit Date: 09/11/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>The auditee had developed policy and procedure against any act of corruption, extortion or bribery in their business. During the audit process, all required documents were provided timely and as per cross checking, no inconsistent or falsified information was detected. The auditee also established a set of procedures to avoid, investigate and discipline any fraud, falsification and misrepresentation in the supply chain. Further, the auditee collected and processed workers' personal data with respect for privacy.</p> <p>被审核方建立方针政策反对任何形式的商业贿赂，勒索和腐败。在审核过程中，被审核方及时提供了所要求的所有文件和信息且在交叉核对时没有发现不一致或者伪造的信息。同时，被审核方建立了一系列程序以避免、调查和惩罚任何欺骗、伪造及虚假陈述的行为。此外，在收集和处员工的个人信息时，被审核方确保了对个人隐私的保护。</p>	
<b>Remarks from Auditee:</b> None	

**Summary**



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	09/11/2020	197322	C	A	A	A	B	D	A	A	A	A	A	C	A	C

**Producer Photos**



External photo(s) of the production unit(s)  
7-6 Gluing worker was wearing medical mask rather than active carbon mask and not wearing the provid.JPG



External photo(s) of the production unit(s)  
7-7 Chemical without secondary container.JPG



External photo(s) of the production unit(s)  
NO-1 Factory address.JPG



External photo(s) of the production unit(s)  
NO-10 Suggestion box.JPG



External photo(s) of the production unit(s)  
NO-11 Toilet with door.JPG



External photo(s) of the production unit(s)  
NO-12 Drinking water.JPG



External photo(s) of the production unit(s)  
NO-13 BSCI COC posted.JPG



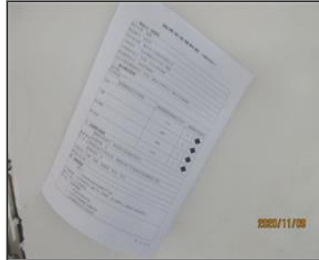
External photo(s) of the production unit(s)  
NO-14 First aid kit.JPG



External photo(s) of the production unit(s)  
NO-15 Chemical with safety labels.JPG



External photo(s) of the production unit(s)  
NO-16 Eye washing facility.JPG



External photo(s) of the production unit(s)  
NO-17 MSDS posted.JPG



External photo(s) of the production unit(s)  
NO-18 Evacuation floor plan.JPG



External photo(s) of the production unit(s)  
NO-19 Exit sign and emergency light.JPG



External photo(s) of the production unit(s)  
NO-2 Factory building.JPG



External photo(s) of the production unit(s)  
NO-20 Evacuation sign.JPG





External photo(s) of the production unit(s)  
NO-21 Emergency light testing.JPG



External photo(s) of the production unit(s)  
NO-22 Fire alarm.JPG



External photo(s) of the production unit(s)  
NO-23 Fire extinguishers.JPG



External photo(s) of the production unit(s)  
NO-24 Fire hydrant testing.JPG



External photo(s) of the production unit(s)  
NO-25 Fire hydrant.JPG



External photo(s) of the production unit(s)  
NO-3 Factory name.JPG



External photo(s) of the production unit(s)  
NO-4 Cutting workshop.JPG



External photo(s) of the production unit(s)  
NO-5 Sewing workshop.JPG



External photo(s) of the production unit(s)  
NO-6 Forming workshop.JPG



External photo(s) of the production unit(s)  
NO-7 Packing workshop.JPG



External photo(s) of the production unit(s)  
NO-8 Warehouse.JPG



External photo(s) of the production unit(s)  
NO-9 Attendance recording system.JPG