SMETA Corrective Action Plan Report (CAPR)

Version 6.1



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.

Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

Root cause (see column 4)

Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Audit Details			
Sedex Company Reference: *(only available on Sedex System)*	ZC5000020216	Sedex Site Reference: *(only available on Sedex System)*	ZS1000022984
Business name (Company name):	Anhui Ancheng Bamboo and Wood Tableware CO LTD		
Site name:	Anhui Ancheng Bamboo and Wood Tableware CO LTD		
Site address:	NO .006 XINGQIAO STREET ， QIANRENQIAO TOWN,SHUCHENG COUNTY LUAN CITY 安徽省六安市舒城县千人桥镇兴桥街006号 anhui 231320 CN	Country:	CN
Site contact and job title:	Huan Zhang / Admin Manager		
Site phone:	19955221014	Site e-mail:	2512479864@qq.com
SMETA Audit Pillars:	☑ Labour Standards	☑ Health and Safety (plus Environment 2-Pillar)	☑ Environment 4-pillar ☑ Business Ethics
Date of Audit:	2024-01-22		

Audit Company Name:
TUV Rheinland (TUEV Rheinland)

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

Audit Parameters					
Time in and time out	Day 1		Day 2		
	In	07:30	In	07:30	
	Out	17:00	Out	11:30	
Audit type:	FULL_INITIAL				
Was the audit announced?	SEMI_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	Huan Zhang / Admin Manager				
Is further information available	No				

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

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause)	Area of Non–Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
3 - Working conditions are safe and hygienic	3.1 3.1 3.1	§1 §2 §3	3	0	0	NC - ZAF600331305 NC - ZAF600331306 NC - ZAF600331307
5 - Living wages are paid	5.1	§4	1	0	0	NC - ZAF600331308
6 - Working hours are not excessive	6.1	§5	1	0	0	NC - ZAF600331309

Local Law Issues

Issue	Description
§1	General Rules of Design on Health and Safety of Production Facility (GB 5083-1999), Article 6.1.6 The exposed dangerous components or part of any transmission belts, rotational axis, transmission chain, coupling, belt wheel, gear, flying wheels, chain wheels, electric saw and others, which is within 2 meters height of the plane where the operator is operating such devices shall be equipped with safety devices. 《生产设备安全卫生设计总则》（GB5083-1999）6.1.6条 以操作人员的操作位置所在平面为基准，凡高度在2m之内的所有传动带、转轴、传动链、联轴节、带轮、齿轮、飞轮、链轮、电锯等外露危险零部件及危险部位，都必须设置安全防护装置。
§2	Special Equipment Safety Law of the People's Republic of China, Article 33 Before the special equipment is put into use or within 30 days after it is put into use, the entity using the special equipment shall make registration with the department of safety supervision of the municipality directly under the Central Government or the city divided into districts. The registration mark shall be placed or attached at a notable position on that special equipment. Special Equipment Safety Law of the People's Republic of China, Article 39 ..... The user of special equipment shall regularly check and overhaul the safety accessories and safety protection devices of the special equipment it uses, and make records. Special Equipment Safety Law of the People's Republic of China, Article 40 An entity using special equipment shall, in accordance with the requirements of the safety technical code on regular inspection, file the request for regular inspection with the inspection and testing institution in 1 month prior to the expiry of the period of validity of the safety inspection. The inspection and testing institution shall, after receiving the request for regular inspection, make the inspection in a timely way pursuant to the requirements of the safety technical code. The special equipment that hasn't gone through the regular inspection or that has failed the inspection may not be used any longer. 《中华人民共和国特种设备安全法》第三十三条 特种设备使用单位应当在特种设备投入使用前或者投入使用后三十日内，向负责特种设备安全监督管理的部门办理使用登记，取得使用登记证书。登记标志应当置于该特种设备的显著位置。 《中华人民共和国特种设备安全法》第三十九条 .....特种设备使用单位应当对其使用的特种设备的安全附件、安全保护装置进行定期校验、检修，并作出记录。 《中华人民共和国特种设备安全法》第四十条 特种设备使用单位应当按照安全技术规范的要求，在检验合格有效期届满前一个月向特种设备检验机构提出定期检验要求。特种设备检验机构接到定期检验要求后，应当按照安全技术规范的要求及时进行安全性能检验。特种设备使用单位应当将定期检验标志置于该特种设备的显著位置。未经定期检验或者检验不合格的特种设备，不得继续使用。

§3	Work Safety Law of the People's Republic of China (2021), Article 45 The production and business operation entities shall provide labor protection articles that meet the national standards or industrial standards to the employees thereof, supervise and educate them to wear or use these articles according to the prescribed rules. 《中华人民共和国安全生产法》（2021）第四十五条 生产经营单位必须为从业人员提供符合国家标准或者行业标准的劳动防护用品，并监督、教育从业人员按照使用规则佩戴、使用。
§4	Labour Law of the People's Republic of China, Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and pooling of insurance funds from the society shall be introduced step by step. The employing unit and labourers must participate in social insurance and pay social insurance premiums in accordance with the law. Article 73, Labourers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances: (1) retirement; (2) illness or injury; (3) disability caused by work-related injury or occupational disease; (4) unemployment; (5) child-bearing. 中华人民共和国劳动法第72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。 中华人民共和国劳动法第73条 劳动者在下列情形下,依法享受社会保险待遇:一)退休;(二)患病,负伤;(三)因工伤残或者患职业病;(四)失业;(五)生育。
§5	Labor Law of the People's Republic of China (2018 Amendment), Article 41. The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours. 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。

Corrective Action Plan - Non Compliances

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600331305
Clause	3 - Working conditions are safe and hygienic
Issue Title	264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt / hand guards on other machines)
Subcategory	Machinery
New or carried over?	☑ New ☐ Carried Over
Root cause	☑ Training ☐ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	General Rules of Design on Health and Safety of Production Facility (GB 5083- 1999), Article 6.1.6 The exposed dangerous components or part of any transmission belts, rotational axis, transmission chain, coupling, belt wheel, gear, flying wheels, chain wheels, electric saw and others, which is within 2 meters height of the plane where the operator is operating such devices shall be equipped with safety devices.《生产设备安全卫生设计总则》（GB5083-1999）6.1.6条 以操作人员的操作位置所在平面为基准，凡高度在2m之内的所有传动带、转轴、传动链、联轴节、带轮、齿轮、飞轮、链轮、电锯等外露危险零部件及危险部位，都必须设置安全防护装置。
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
Explanation to the non compliance	It was noted that the sprockets of the two slicing machines in the slicing area were missing protective covers. 旋切区两台旋切机器链条轮缺少防护罩。
Follow up method	☐ Follow up audit ☑ Desktop audit
Timescale	☐ Immediate ☑ 30 days ☐ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that the factory should install



IMG_0714.jpg

	protective covers for all slicing machines. 工厂应给所有旋切机安装链条轮保护罩。	

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600331306
Clause	3 - Working conditions are safe and hygienic
Issue Title	267 - No / inadequate certificates for inspections of machinery, or machines not registered as required by law
Subcategory	Machinery
New or carried over?	☑ New ☐ Carried Over
Root cause	☑ Training ☐ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	Special Equipment Safety Law of the People's Republic of China, Article 33 Before the special equipment is put into use or within 30 days after it is put into use, the entity using the special equipment shall make registration with the department of safety supervision of the municipality directly under the Central Government or the city divided into districts. The registration mark shall be placed or attached at a notable position on that special equipment. Special Equipment Safety Law of the People's Republic of China, Article 39 ..... The user of special equipment shall regularly check and overhaul the safety accessories and safety protection devices of the special equipment it uses, and make records. Special Equipment Safety Law of the People's Republic of China, Article 40 An entity using special equipment shall, in accordance with the requirements of the safety technical code on regular inspection, file the request for regular inspection with the inspection and testing institution in 1 month prior to the expiry of the period of validity of the safety inspection. The inspection and testing institution shall, after receiving the request for regular inspection, make the inspection in a timely way pursuant to the requirements of the safety technical code. The special equipment that hasn't gone through the regular inspection or that has failed the inspection may not be used any longer. 《中华人民共和国特种设备安全法》第三十三条 特种设备使用单位应当在特种设备投入使用前或者投入使用后三十日内，向负责特种设备安全监督管理的部门办理使用登记，取得使用登记证书。登记标志应当置于该特种设备的显著位置。 《中华人民共和国特种设备安全法》第三十九条 .....特种设备使用单位应当对其使用的特种设备的安全附件、安全保护装置进行定期校验、检修，并作出记录。 《中华人民共和国特种设备安全法》



IMG_0720.jpg

	第四十条 特种设备使用单位应当按照安全技术规范的要求，在检验合格有效期届满前一个月向特种设备检验机构提出定期检验要求。特种设备检验机构接到定期检验要求后，应当按照安全技术规范的要求及时进行安全性能检验。特种设备使用单位应当将定期检验标志置于该特种设备的显著位置。未经定期检验或者检验不合格的特种设备，不得继续使用。
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
Explanation to the non compliance	The factory did not provide a registration certificate and annual inspection report for the gas boiler, and did not provide calibration reports for the safety accessories of pressure vessel (including pressure gauges and safety valves). 工厂没有提供一台燃气锅炉的使用登记证和年检报告，也没有提供4台压力容器安全附件的校验报告（包括压力表和安全阀）。
Follow up method	☐ Follow up audit ☑ Desktop audit
Timescale	☐ Immediate ☑ 30 days ☐ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that the factory should obtain the registration certificate and annual inspection report for the boiler and send the safety accessories of the pressure vessel to the calibration department as soon as possible, and obtain a qualified calibration report before it can be used. 工厂应尽快获得该台锅炉的使用登记证和年检报告，给将压力容器的安全附件尽快送去校验部门，获得合格的校验报告后才可使用。

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600331307
Clause	3 - Working conditions are safe and hygienic
Issue Title	278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate
Subcategory	Personal Protective Equipment/Clothing
New or carried over?	☑ New ☐ Carried Over
Root cause	☑ Training ☐ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	Work Safety Law of the People's Republic of China (2021), Article 45 The production and business operation entities shall provide labor protection articles that meet the national standards or industrial standards to the employees thereof, supervise and educate them to wear or use these articles according to the prescribed rules. 《中华人民共和国安全生产法》（2021）第四十五条 生产经营单位必须为从业人员提供符合国家标准或者行业标准的劳动防护用品，并监督、教育从业人员按照使用规则佩戴、使用。
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
Explanation to the non compliance	About 80% of workers in the slicing, forming and sawtoothing areas did not wear factory-provided protective earplugs and only wore disposable hygiene masks instead of dust proof masks.(The factory had provided dust proof masks, but workers explained that wearing dust masks was not as comfortable as disposable hygiene masks.) 大约80%的旋切区、成型和开齿区的工人没有佩戴工厂提供的防护耳塞，仅佩戴一次性卫生口罩而非防尘口罩（工厂已经提供了防尘口罩，但是工人解释称佩戴防尘口罩不如一次性卫生口罩舒服）。
Follow up method	☐ Follow up audit ☑ Desktop audit



IMG_0733.jpg



IMG_0677.jpg

Timescale	☐ Immediate	☑ 30 days	☐ 60 days
	☐ 90 days	☐ 120 days	☐ 180 days
	☐ 365 days	☐ Other	
Actions	It is recommended that the factory should provide PPEs to all related workers and supervise and educate workers to wear PPEs properly where applicable. 工厂应提供劳动防护用品给相关工人并监督和教育工人佩戴劳动防护用品。		

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600331308
Clause	5 - Living wages are paid
Issue Title	423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic
Subcategory	Benefits & Insurance
New or carried over?	☑ New ☐ Carried Over
Root cause	☑ Training ☑ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	Labour Law of the People's Republic of China, Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and pooling of insurance funds from the society shall be introduced step by step. The employing unit and labourers must participate in social insurance and pay social insurance premiums in accordance with the law. Article 73, Labourers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances: (1) retirement; (2) illness or injury; (3) disability caused by work-related injury or occupational disease; (4) unemployment; (5) child-bearing. 中华人民共和国劳动法第72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。 中华人民共和国劳动法第73条 劳动者在下列情形下,依法享受社会保险待遇:一)退休;(二)患病,负伤;(三)因工伤残或者患职业病;(四)失业;(五)生育。
ETI code	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.
Explanation to the non compliance	Social insurance didn't cover all employees in the past one year. There were total 94 employees in the factory including 43 employees who were rehired after retirement and 1 new employee hired within recent one month, so 50 employees should be provided social insurances. Based on the latest social insurance receipt and wage list review, the factory did not provide work-related injury, retirement and unemployment insurances to 48 employees, did not provide maternity, medical insurances to 50



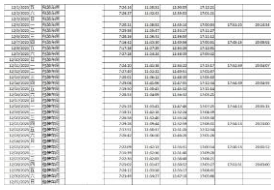
IMG_1075.jpg

	employees. Remark: The factory had purchased commercial accident insurance for all employees, including those who had not purchased work-related injury insurance and those retired workers, the valid date was from December 1, 2023 to December 1, 2024. 过去一年内社保未全员覆盖。工厂共94名员工，包含43名退休返聘人员，最近一个月内有1名新进员工，所以有50名员工应该提供社保。根据最新的社保发票和工资表，工厂没有给48名员工提供工伤/退休和失业险，没有给50名员工提供生育/医疗险。备注：工厂给所有员工包括未购买工伤保险的员工和退休返聘的员工购买了商业意外险，有效期为2023年12月1号到2024年12月1号。
Follow up method	☑ Follow up audit ☐ Desktop audit
Timescale	☐ Immediate ☐ 30 days ☑ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that the factory should adopt practices and controls to ensure that all employees are provided with work-related injury, maternity, medical, retirement and unemployment insurances benefit as legally required. 工厂应该按照法律要求为所有员工购买工伤/生育/医疗/退休和失业险。

Non-Compliance	Evidence

[Back to findings summary]

Non-Compliance	
Status	OPEN
Reference	ZAF600331309
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?	☑ New ☐ Carried Over
Root cause	☑ Training ☑ System ☐ Costs ☐ Lack of workers ☐ Other
Root cause - Other	
Local law issue	Labor Law of the People's Republic of China (2018 Amendment), Article 41. The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours. 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	According to the attendance records of employees from 01 January 2023 to the audit day provided by the factory, it was noted all sampled workers' monthly overtime hours exceeded 36 hours, For example,the 10 sampled workers worked more than 36 hours of overtime in March 2023, with a maximum monthly overtime of 58 hours (random month), the 10 sampled workers worked more than 36 hours of overtime in June 2023, the maximum was 58 hours (random month), and the 10 sampled workers worked more than 36 hours of overtime in December 2023, and the maximum was 56 hours (current paid month). 根据工厂提供的2023年1月1日



Attendance records.jpg

	到审核当天的考勤，所有抽样10名员工的月加班时间超过36小时，比如抽样的10名员工在2023年3月份加班时间超过36小时，最大月加班为58小时（随机月），抽样10名员工在2023年6月的月加班超过36小时，最大为58小时（随机月），抽样10名员工在2023年12月的月加班超过36小时，最大为56小时（当前支付月）。
Follow up method	☑ Follow up audit ☐ Desktop audit
Timescale	☐ Immediate ☐ 30 days ☑ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other
Actions	It is recommended that the factory should reduce the workers' overtime hours to ensure the monthly overtime hours within 36 hours. 工厂应确减少员工的加班时间确保月加班在36小时内。

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:	Alvin Shen	APSCA Number:	21701995
Additional Auditors:			
Date of declaration:	2024-01-23		

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:	Huan Zhang
Title:	Admin Manager
Date of declaration:	2024-01-23
Comments: *Any exceptions to this must be recorded here (e.g. different sample size):* *Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).* *The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives*	

Guidance on Root Cause

Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

Some examples of finding a "root cause"

Example 1
Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

Example 2
A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

Example 3
A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re- occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.

For more information visit: Sedexglobal.com

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

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

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw_3d_3d

Click here for Supplier (B) members:

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d

Click here for Auditors:

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