4P报告

SMETA Corrective Action Plan Report (CAPR)

Version 6.1

Audit Details			
Sedex Company Reference: *(only available on Sedex System)*	ZC: 407369417	Sedex Site Reference: *(only available on Sedex System)*	ZS: 407462372
Business name (Company name):	ZHEJIANG HENGSEN INDUSTRIAL GROUP CO., LTD		
Site name:	ZHEJIANG HENGSEN INDUSTRIAL GROUP CO., LTD 浙江恒森实业集团有限公司		
Site address: *(Please include full address)*	JINGLIN, RUANSHI, ZHUJI CITY, ZHEJIANG PROVINCE 浙江省诸暨市阮市镇金岭工业区	Country:	CHINA
Site contact and job title:	He Zemiao/ General manager		
Site phone:	86-0575-87697789	Site e-mail:	hzm@cnhengsen.com

SMETA Audit Pillars:	☒ Labour Standards	☒ Health & Safety (plus Environment 2-Pillar)	☒ Environment 4-pillar	☒ Business Ethics
Date of Audit:	Nov 5~6, 2019			

Audit Company Name & Logo:	Report Owner (payer):
SGS-CSTC Standards Technical Services Co., Ltd. SGS	ZHEJIANG HENGSEN INDUSTRIAL GROUP CO., LTD

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

Audit Content:

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

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

2-Pillar SMETA Audit

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

4-Pillar SMETA

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

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

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

SMETA Declaration

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

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

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

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

Auditor Team (s) (please list all including all interviewers):
Lead auditor: Amy Shi (RA21701808)
Team auditor: Jerny Jin (RA)

Interviewers: Amy Shi (RA21701808)

Report writer: Amy Shi (RA21701808)
Report reviewer:

Date of declaration: Nov 6, 2019

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.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 9:10 Day 1 Time out: 17:10	Day 2 Time in: 9:00 Day 2 Time out: 12:00	Day 3 Time in: Day 3 Time out:
B: Number of auditor days used:	2 auditors in 2 days		
C: Audit type:	☒ Full Initial ☐ Periodic ☐ Full Follow–up ☐ Partial Follow–Up ☐ Partial Other If other, please define:		
D: Was the audit announced?	☐ Announced ☒ Semi – announced: Window detail: 2 weeks ☐ Unannounced		
E: Was the Sedex SAQ available for review?	☐ Yes ☒ No If No, why not The factory did not complete the SAQ.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	☐ Yes ☐ No If **Yes**, please capture detail in appropriate audit by clause NA		
G: Who signed and agreed CAPR *(Name and job title)*			
H: Is further information available *(if yes, please contact audit company for details)*	☐ Yes ☒ No		
I: Previous audit date:	NA		
J: Previous audit type:	NA		
K: Were any previous audits reviewed for this audit	☐ Yes ☐ No ☒ N/A		

Audit attendance	**Management**	**Worker Representatives**	
	Senior management	Worker Committee representatives	Union representatives

A: Present at the opening meeting?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
B: Present at the audit?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
C: Present at the closing meeting?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
D: If Worker Representatives were not present please explain reasons why *(only complete if no worker reps present)*	NA		
E: If Union Representatives were not present please explain reasons why: *(only complete if no union reps present)*	There was no union at this factory.		

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).

Corrective Action Plan

Qty. of GE: 0
Qty. of Business Critical: 0
Qty. of Critical: 0
Qty. of Major: 3
Qty. of Minor: 4
Qty. of OB: 0

Corrective Action Plan – non-compliances									
Non-Compliance Number The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7	**New or Carried Over** Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding	**Details of Non-Compliance** Details of Non-Compliance	**Root cause** (completed by the site)	**Preventative and Corrective Actions** Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)	**Timescale** (Immediate, 30, 60, 90, 180, 365)	**Verification Method** Desktop / Follow-Up (D/F)	**Agreed by Management and Name of Responsible Person:** Note if management agree to the non-compliance and document name of responsible person	**Verification Evidence and Comments** Details on corrective action evidence	**Status** Open/Closed or comment
NC 1 3: Health & Safety-1 Minor		470. Inadequate / isolated failure in conducting medical examinations/ occupational health checks of workers in hazardous situations e.g. noise / chemicals 根据文件审核，工厂在2018年12月给所有员工提供了在岗职业病体检，之后入职的员工没有提供上岗职业病体	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	工厂应按照法规要求给员工提供职业病健康体检。	30 days	Desktop			

		检，另外工厂也未给员工提供离岗体检。							
NC 2 3: Health & Safety-2 Minor		431. No / inadequate training in how to use PPE 工人劳保用品未正确佩戴。 根据现场审核，工厂约20%工人未正确佩戴，例如锻压和精工车间工人未带耳塞。	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	工厂应监督教育工人正确佩戴劳保用品。	30 days	Desktop			
NC 3 3: Health & Safety-3 Minor		391. Premises require minor repairs that affect personal safety (e.g. missing handrails) 根据现场审核，工厂注塑车间有一个高度约 0.6 米的梯子无扶手，1#厂房 4 楼仓库两处楼梯扶手间距过大。	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	工厂应监督教育工人正确佩戴劳保用品。	30 days	Desktop			
NC 4 3: Health & Safety-4 Major		424. Lack of eye or needle guards on sewing machines or belt / hand guards on machines generally 根据现场审核，10%冲压机无脚踏防护装置。	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	工厂应给所有冲压机安装脚踏防护装置。	30 days	Desktop			

NC 5 5: Wages & Benefits - 1 Minor		635. Some social insurance paid for some employees 工厂未按照法规要求给所有员工提供社保。 根据文件审核，工厂共有员工 332 人，但是仅给 303 名员工提供养老，医疗，失业和生育保险，给 332 名员工提供工伤保险。	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	工厂应给所有员工缴纳所有社保.	120 days	Desktop			
NC 6 6: Working Hours – 1 Major		716. Overtime is not used responsibly i.e. extent, frequency and level of hours worked by individual workers and / or whole workforce are excessive. 工厂员工月加班超法规要求的 36 小时. 根据工厂提供的 2018 年 10 月 1 日至 2019 年 11 月 6 日的考勤显示,100% 抽样员工月加班超过法规要求的 36 小时，最大月加班为 56 小时在 2018 年 12 月。	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	工厂应保证员工加班时间符合法律法规要求.	60 days	Follow-Up			

备注：工厂将一幢 5 层宿舍楼的 1 楼出租给个体商户作商店门面使用，审核期间提供了租赁协议和营业执照供查看。

Corrective Action Plan – Observations				
Observation Number *The reference number of the observation from the Audit Report, for example, Discrimination No 7*	**New or Carried Over** *Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding*	**Details of Observation** *Details of Observation*	**Root cause** *(completed by the site)*	**Any improvement actions discussed** *(Not uploaded on to SEDEX)*
OB 1 3: Health & Safety-1		现场审核发现,工厂约 30%安全出口为卷帘门或推拉门，工厂有设置固定装置保证在工作时间内保持常开状态。		工厂应确保安全出口门为朝疏散方向开启的平开门.

Good examples		
Good example Number *The reference number of the good example from the Audit Report, for example, Discrimination No.7*	**Details of good example noted**	**Any relevant Evidence and Comments**
Nil		

Confirmation

Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) *If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.*		
A: Site Representative Signature:		Title Date
B: Auditor Signature:	Amy Shi	Title CA Date 2019.11.6
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: I dispute the following numbered non-compliances:		
E: Signed: *(If any entry in box D, please complete a signature on this line)*		Title Date
F: Any other site Comments:		

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.

Sedex

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