



Code of Conduct Audit Report



I. Audit Information

Date of Audit	27 Aug., 2013	SGS Job No.	SZXWT00715298
Type of Audit	<input checked="" type="checkbox"/> Initial Audit	<input type="checkbox"/> Follow up Audit	<input type="checkbox"/> Annual Audit
Name of Client	WILTON BRANDS, INC		
Name of Vendor	Chuang Xin Rubber Plastic & Metal CO.,Ltd.		

II. Audited Factory Information

A. Basic Information

Factory Name	Chuang Xin Rubber Plastic & Metal CO.,Ltd.		
Address	No 1, Huasheng Rd., Xinhua industrial, Ronggui, Shunde, Foshan, Guangdong, China		
Contact Person	Allar Xu	Title	Sales manager
Tel	0757-28328308	Fax	0757-28310463
E-mail	zqw@sd-chuangxin.com		

B. Factory Operations

Products Manufactured	Silicone bakeware, spatula etc.														
Production Capacity	500,000 Pcs per month	Qty per year	3,600,000Pcs per year												
Factory Layout (S.Q. Meters)	<table border="1"> <tr> <td>Material Stores</td> <td>600</td> <td>Dormitory Area</td> <td>0</td> </tr> <tr> <td>Manufacturing Area</td> <td>3600</td> <td>Kitchen and Canteen</td> <td>105</td> </tr> <tr> <td>F.G. Stores</td> <td>450</td> <td>Total</td> <td>4755</td> </tr> </table>			Material Stores	600	Dormitory Area	0	Manufacturing Area	3600	Kitchen and Canteen	105	F.G. Stores	450	Total	4755
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Manufacturing Area	3600	Kitchen and Canteen	105												
F.G. Stores	450	Total	4755												
Production Process Flow	Produce materials preparation- compression molding- Vulcanization-Triming-packing														
Equipment used	Compression molding etc.														
Subcontractor Factory Name(s) if any	<table border="1"> <thead> <tr> <th>Name</th> <th>Address</th> <th>Contact Person</th> </tr> </thead> <tbody> <tr> <td>NA</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Name	Address	Contact Person	NA								
Name	Address	Contact Person													
NA															
Other Brands in Factory	U.K. T.J morris														

C. Employees Details

Type	Male	Female	Sub-total
Supervisors/Managers	2	1	3
Administration Staff	2	0	2
Quality Control Staff	0	4	4
Engineering Staff	1	0	1
Permanent Workers	10	35	45
Temporary/contract workers	0	0	0
Total	15	40	55

III. Auditor Team

Auditor Name	Auditing Company	Role in the team
Nico Liu	SGS-CSTC Standards Technical Service	Lead Auditor

IV. Auditee Representatives

Name	Position / Department
Zeng Qinwei	Vice-general manager
Allar Xu	Sales Manager
Li Jun	Administrative
Yan Tao	HR

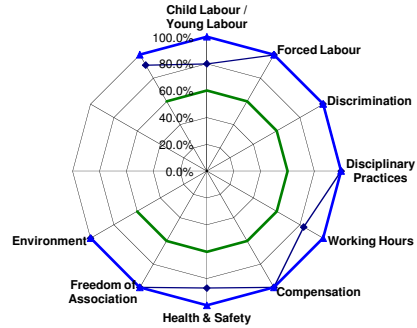
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Executive Summary:

1. Audit Rating

No	CSR Section	Score Possible	Score Achieved	Critical Failure Found	Zero Tolerance Failure Found	Rating	Min. Requirement	Possible
A1	Child Labour / Young Labour	10	8		0	80.0%	60%	100%
A2	Forced Labour	14	14		0	100.0%	60%	100%
A3	Discrimination	6	6		0	100.0%	60%	100%
A4	Disciplinary Practices	10	10		0	100.0%	60%	100%
A5	Working Hours	12	10	0		83.3%	60%	100%
A6	Compensation	15	15	0		100.0%	60%	100%
B	Health & Safety	93	81	0		87.1%	60%	100%
C1	Freedom of Association	9	9			100.0%	60%	100%
D1	Environment	14	14	0		100.0%	60%	100%
E1	Bribery				0			
F1	Sub-Contracting			0				
Overall Summary		183	167	0	0	91.3%	60%	100%

CSR Rating per Section



Overall Result | **Acceptable** | Critical Failures Found | **0** | Zero Tolerance Failures Found | **0**

Remarks:

- 1. Acceptable Overall Rating>=60%; no critical violation
- 2. Unacceptable Overall Rating < 60% or critical violation identified
- 3. Fail Any zero tolerance failures automatically result in the overall result fail.

2. Finding Summary:

1. Finding: Workers' monthly overtime exceeded 36 hours per month.
2. Finding: Based on on-site observation, there were two compression molding workers worked without earplugs.

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A1. Child Labour / Young Labour

No.	Requirements	Guideline	Score	Comments
A1.1	Does the factory have a copy of valid laws and regulations on child labour OR understand its requirements?	2 = Factory has a copy of the current National laws/ regulations. 1 = No copy, but the factory management understand the National laws/regulations. 0 = No.	2	The factory have a copy of valid laws and regulations on child labour and management understood its requirements based on interview.
A1.2	Does the factory have effective procedures to verify the age of worker at the time of recruitment?	2 = Factory has documented and effective procedures to verify the age of workers at the time of recruitment. 1 = Factory has effective procedures, but they are not documented. 0 = The factory has not procedures.	2	Based on the management and worker interview, the factory checked ID cards of all employees when recruiting.
A1.3	Does the factory keep adequate age documents of workers such as ID copies and personnel records?	2 = All age documents including valid proof of age is filed in personnel records. 1 = Age documents are generally in order and accessible. 0 = No, age documents are not in order or accessible.	2	Based on workers' personal files review, all workers' ID copies were kept in personal files.
A1.4 (ZT)	Is there any evidence identified that child labour is now or has been employed in the past at the factory?	ACC = There is no evidence that under age labor has been employed in this factory. FAIL = There are workers below the minimum age working at the factory.	ACC	No child labor or historical child labor was identified during the audit. The youngest worker in the factory was above 18 years old who was born on 29 Mar., 1995, and entered the factory on 30 Mar. 2013.
A1.5	Have young workers (between legal minimum age and 18) been protected?	2 = Procedures are available, implemented accordingly, records are available. 1 = No procedure, but young workers are NOT engaged in hazardous work or night shift; regular health examinations are provided. 0 = Young workers do perform hazardous work; no training/qualification/ supervision records maintained.	NA	Based on document review and workers interview, no young workers identified in the factory. The youngest worker in the factory was born on 29 Mar., 1995, and entered the factory on 30 Mar. 2013.
A1.6	Is the law or factory policy against Child Labour/Young Labour communicated to all employees?	2 = Procedures are available, Implemented accordingly, records are available. 1 = The channels have been established. 0 = No communication.	2	Based on document and workers interview, the factory had a written policy and communicated to workers when entering.
Total Score =		10	Total Achieved Score =	8

A2. Forced Labour

No.	Requirements	Guideline	Score	Comments
A2.1	Does the factory have a copy of valid laws and regulations on forced labour or understand its requirements?	2 = Factory has a copy of the current National laws/ regulations. 1 = No copy, but the factory management understands the National laws/regulations. 0 = No.	2	The factory had a copy of valid regulations and laws on forced labour and understood its requirements based on management interview.
A2.2 (ZT)	Does the factory use any type of forced, prison, indentured, or bonded labor?	ACC = All workers are present voluntarily. FAIL = The factory use any type of forced, prison, indentured, or bonded labor.	ACC	No negative evidence was found.
A2.3	Do all workers sign legal employment contracts with the factory?	2 = Policy and procedures were available and implemented accordingly. All workers signed employment contracts with the factory, the contents were reasonable. 1 = All workers signed employment contracts with the factory, the contents were reasonable. 0 = Not all workers signed employment contracts with the factory.	2	Confirmed by workers interview and contracts review. The contents were reasonable.
A2.4	Is any restriction placed on leaving after working hours?	2 = Policy and procedures were available and implemented accordingly to prevent the restriction. 1 = All workers are free to leave. 0 = Workers are not free to leave.	2	Base on workers interview, the workers could leave the factory after working hours without restriction.
A2.5	Are workers forced to work overtime?	2 = OT are voluntary, documented agreement or records are available. 1 = Workers are not forced to work overtime. 0 = Evidence indicates that workers are/may be forced to work overtime.	2	Confirmed by document review and workers interview, no disciplinary action would happen if workers refused to work overtime. The overtime is voluntarily.
A2.6	Are workers permitted time-off with doctor's certificate or note when sick or for maternity?	2 = Workers are permitted time off with doctor's certificate/note for sickness/maternity; records confirm. 1 = Workers are permitted time off with doctor's certificate/note for sickness/maternity; records incomplete. 0 = Workers are not permitted time off with doctor's certificate/note.	2	Confirmed by workers interview and leave records review.
A2.7	Is there any evidence of physical or verbal abuse apparent?	2 = Policy and procedures were available and communicated. There is no evidence of physical/verbal abuse. 1 = There is no evidence of physical/verbal abuse. 0 = There is evidence of physical/verbal abuse.	2	No negative evidence was found.
A2.8	Is there any evidence apparent that security guards are/were used to coerce workers?	2 = Policy and procedures were available and communicated. There is no evidence that security guards are used to coerce workers. 1 = There is no evidence. 0 = There is evidence to show security guards are or were used to coerce workers.	2	Based on workers interview and site observation, security guards were only responsible for safety of the property.
Total Score =		14	Total Achieved Score =	14

A3. Discrimination

No.	Requirements	Guideline	Score	Comments
A3.1	Does the factory have a copy of valid laws and regulations on non-discrimination or understand its requirements?	2 = Factory has a copy of the current National laws/regulations. 1 = No copy, but the factory management understand the National laws/regulations. 0 = No.	2	The factory had a copy of valid laws and regulations on non-discrimination and the management understood its requirements based on the interview.
A3.2 (ZT)	Is there any evidence for the occurrence of discrimination in employment, promotion, compensation, welfare, dismissal or retirement, etc?	ACC = Policy and procedures were available and communicated. There is no evidence for the occurrence of discrimination in any of the indicated areas, records/interviews confirm. FAIL = There is evidence that discrimination in one or more of these areas occurs.	ACC	No negative evidence was found.
A3.3	Do workers have access to and are familiar with procedures for filing complaints about discrimination?	2 = Policy and procedures were available and communicated, workers have access to and are familiar with discrimination complaint filing, interviews/records confirm. 1 = workers have access to and are familiar with discrimination complaint filing, interviews/records confirm. 0 = Workers do NOT have access to such procedures nor are they familiar with their right to file discrimination complaints.	2	Confirmed by workers interview. Workers could complain to supervisors directly.
A3.4	Is there evidence of discrimination related to female workers?	2 = Policy and procedures were available and communicated, protection measures such as paid pregnancy leave, working arrangement and etc. were implemented to protect pregnant workers. 1 = There was no negative evidence of discrimination related to pregnancy, working arrangement or any others. 0 = No	2	No negative evidence was identified.
Total Score =		6	Total Achieved Score =	6

A4. Disciplinary Practice

No.	Requirements	Guideline	Score	Comments
A4.1	Does the factory have a copy of valid laws and regulations on disciplinary practices or understand its requirements?	2 = Factory has a copy of the current National laws/ regulations. 1 = No copy, but the factory management understand the National laws/regulations. 0 = No.	2	The factory had a copy of valid laws and regulations on disciplinary practices and the management understood its requirements based on the interview.
A4.2	Does the factory have documented, legal and reasonable disciplinary rules?	2 = The factory has documented disciplinary rules, records . 1 = Factory has disciplinary rules, documentation is incomplete. 0 = Factory has NO documented disciplinary rules or the rules are illegal, unreasonable.	2	Based on documents review, the disciplinary rules was documented, legal and resonable.
A4.3	Are disciplinary rules communicated to all workers?	2 = The factory effectively communicates disciplinary rules. 1 = Factory communicates disciplinary rules, effectiveness questionable. 0 = Factory does NOT communicate disciplinary rules.	2	The factory communicated the rules to workers when recruitment. The factory issued worker manual for all workers.

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A4.4 (ZT)	Is there evidence the factory uses physical, verbal, sexual or psychological abuse in workplace?	ACC = Policy and procedures were available and communicated. There is no evidence of physical, verbal, sexual or psychological abuse. FAIL = There is evidence of physical, verbal, sexual, psychological abuse occurred.	ACC	No negative evidence was found.
A4.5	Do workers have access to appeal in case of infractions/breaking of rules?	2 = Policy and procedures were available and communicated, workers have access to and are familiar with disciplinary complaint filing, interviews/records confirm. 1 = workers have access to and are familiar with disciplinary complaint filing, interviews/records confirm. 0 = Workers do NOT have access to such procedures nor are they familiar with their right to file disciplinary complaints.	2	Confirmed by workers interview. Workers could appeal to supervisors directly.
A4.6	Are deductions from pay for infractions/breaking of rules legal?	2. Policy and procedures were available and communicated, All deductions are recorded and legal. 1 = Yes, such deductions in pay are legal, records confirm. 0 = No, such deductions are not legal.	2	Based on document review and workers interview, no any monetary deductions from pay as a means of discipline that are not allowed by local regulations were identified.
Total Score =		10	Total Achieved Score =	10

A5. Working Hours

No.	Requirements	Guideline	Score	Comments
A5.1	Does the factory have a copy of valid laws and regulations on working hours or understand its requirements?	2 = Factory has a copy of the current National laws/ regulations. 1 = No copy, but the factory management understands the National laws/regulations. 0 = No.	2	The facility had a copy of valid laws and regulations on working hours and understood its requirements.
A5.2	Does the factory have written policy for working hours, rest, vacations and overtime in accordance with local legal requirement?	2 = The factory has written policy on working hours, records confirm. 1 = Factory has working hours policy, documentation is incomplete. 0 = Factory has NO working hours policy.	2	The factory established a written policy on working hours, detail as following (5 days per week and 8 hours per day, 7:30 AM-11:30 AM; 13:30 PM-17:30 PM/ 06:00-14:00; 14:00-22:00;22:00-06:00) The policy was written in the handbook and explained to workers when entered factory, which complied with local law.
A5.3	Does the factory communicate the policy on working hours, rest and vacations to all workers?	2 = The factory effectively communicates working hours policy. 1 = Factory communicates working hours policy, effectiveness questionable. 0 = Factory does NOT communicate working hours policy.	2	The policy on working hours had communicated to all employees through worker manual.
A5.4 (Critical)	Does the factory maintain complete and consistent working hours records for at least 12 months?	ACC = The factory effectively records working hours of individual workers. NC = Working hours are NOT recorded or inconsistency found.	ACC	The factory had provided the attendance records from Jul 1,2012 to the audit day for review. And corss checked with the workers interview and documents review, it was acceptable.
A5.5	Do the workers have at least one day (24 consecutive hours) off in seven days?	2 = The workers have at least 1 day (24 consecutive hours) off in 7, records confirm. 0 = Workers do NOT have 1 day in 7 off.	2	Workers usually worked overtime 8 hours in Saturday, but they always had rest on Sunday.
A5.6	Do the hours worked including overtime hours comply with local regulation (daily, weekly, monthly)?	2 = The factory have appropriate production planning to control working hours with statistic data/ The workers' work hours per day, week, month meets local legal laws and regulations. 1 = The workers' work hours per day, week, month meets local legal laws and regulations. 0 = The workers' work hours per day, week, month does not meet local legal laws and regulations.	0	Finding: The number of workers' overtime exceeded 36 hours per month. Evidence observed: Based on workers' attendance records from Jul. 1, 2012 to the audit date provided by the factory, there were 9 months' overtime working hour exceeded 36 hours, and the maximum monthly overtime working hours were 50 hours, happened in Jul., 2013. It violated China Labor Law (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.
A5.7 (Critical)	Do the workers have over 60 working hours per week unless authorized by local government?	ACC = Weekly working hours are below 60 hours. NC = Weekly working hours exceed 60 hours.	ACC	Based on documents review, the maximum weekly working time was 52 hours.
A5.8	Does the factory provide the legally required meal breaks?	2 = The factory has written policy and procedures to supervise the breaks/ the factory provides the legally required time for rest breaks. 1 = Yes, the factory provides the legally required time for rest breaks, records confirm. 0 = No, the factory does not provide the legally required time for rest breaks.	2	There were 0.5-1.5 hours rest for lunch in the factory.
Total Score =		12	Total Achieved Score =	10

A6. Compensation

No.	Requirements	Guideline	Score	Comments
A6.1	Does the factory have a copy of valid laws and regulations on compensation and benefits or understand its requirements?	2 = Factory has a copy of the current National laws/regulations. 1 = No copy, but the factory management understand the National laws/regulations. 0 = No.	2	The facility had a copy of valid laws and regulations on compensation and benefits and understood its requirements.
A6.2	Does the factory have written policy on compensation and benefits and communicate to all workers?	2 = The factory has written policy on compensation and benefits and it is effectively communicated to all workers. 1 = Factory has a policy, communication is incomplete. 0 = The factory has NO such policy.	2	The facility had a written policy on compensation and benefits. And they communicated to all employees through worker manual.
A6.3 (Critical)	Do all workers' wages meet local minimum wages?(including trainees / apprentices / workers in probation period)	ACC= The factory established appropriate procedures to ensure all workers' wages meet local legal laws and regulations. NC=Not all workers' wages meet local legal laws/regulations.	ACC	Based on payroll review and workers interview, no negative evidence was found. The factory had paid its workers minimum wages at least, RMB 1100 per month form Mar 1 2011 to May 1,2013, after May 1,2013, it was RMB1310 per month.
A6.4 (Critical)	Does the factory maintain complete and consistent payroll records for all workers for at least 12 months?	ACC= The factory effectively records working hours of individual workers. NC = Working hours are NOT recorded or inconsistency found.	ACC	The factory had provided the pay rolls from Jul 2012 to Jun 2013 for review.
A6.5	Are workers paid the legally required overtime rates and wages?	2 = The factory established appropriate procedures to ensure all workers' overtime rates meet local legal laws and regulations, workers are paid the legally required overtime rates and wages. 1 = Workers are paid the legally required overtime rates and wages, no policy and procedure was established. 0 = Workers are NOT paid the legally required overtime rates and wages.	2	Based on wage records from Jul.2012 to Jun.2013, the factory paid for 150% per normal wage during weekday OT, 200% per normal wage during rest day OT, all workers had the annual leave paid and statutory holiday leave paid.(There was no OT in the holiday.)
A6.6	Are wage slips given to workers and do they understand the wage-break up?	2 = Wage slips are given to workers and they understand the wage break down, interviews/records confirm. 1 = Wage slips are given to workers, not all understand the wage break down. 0 = Wage slips are NOT given to workers.	2	The factory provided pay slips to workers for verifying their wages with their signature signed back.
A6.7	Does the factory provide legally required benefits such as 1) annual leave, 2) maternity leave, 3) paid holidays and 4) social insurance?	2 = The factory established appropriate procedures to provide legally required benefits to all workers. 1 = Workers are paid the legally required benefit, no policy and procedure was established. 0 = Workers are NOT paid the legally required benefits.	2	Confirmed by document review and workers interview.

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A6.8	Are workers' wages deducted for any reason other than tax, social security? Are these deductions fair, reasonable and legal?	2 = Workers' wages are not deducted for any reason other than tax, social security, records confirm. 1 = Wages are deducted for other reasons. 0 = Records are NOT available to determine if wages are deducted for other reasons.	2	Confirmed by document review and workers interview, workers' wages are not deducted for any reason other than tax, social security.	
A6.9	Is the payment frequency legal?	1 = Yes, payment frequency is legal. 0 = No, payment frequency is not legal.	1	The factory issued wages on 30th of each month for last month wage by cash.	
A6.10	Is there a sufficient system to let workers check/verify their wages?	2 = There is an effective system for workers to verify their wages, interviews/records confirm. 1 = There is such a system, it is not effective and workers do not understand it. 0 = There is NO such system.	2	The factory provided pay slips to workers for verifying their wages with their signature signed back.	
Total Score =		15	Total Achieved Score =		15

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B. Health & Safety				
B1	General Requirement	Guideline	Score	Comments
No.	Requirements			
B1.1	Does the factory have a copy of current National laws/regulations on health and safety or understand its requirements?	2 = Factory has a copy of the current National laws/regulations. 1 = No copy, but the factory management understand the National laws/regulations. 0 = No.	2	The factory had a copy of the current National law and understand its requirements.
B1.2	Is a senior management representative for health and safety appointed?	1 = A senior management representative for health and safety is appointed. 0 = No senior management representative is appointed.	1	Mr. Zeng Qinwei / Vice-general manager was the representative for health and safety.
B1.3	Does the factory arrange health and safety training for all workers? Does it include fire safety training?	2 = The factory arranges periodic health and safety re-training for workers, records kept. 1 = Some health and safety retraining provided to workers, records incomplete. 0 = No health and safety re training is provided.	2	Confirmed by records review.
B1.4	Are accidents or daily injury recorded?	2 = Procedures are available, accidents or daily injury are reported and recorded. 1 = Accidents or daily injury are reported and recorded. 0 = No accidents and daily injury are recorded.	2	The factory stated that no injury and accident had happened.
B1.5	Does the factory have all legal required permits and approval on health and safety, including high risk equipment and its operators?	2 = The factory has all legal valid permit and approval. 1 = Factory has legal required permit and approval may not be current or insufficient. 0 = No, factory has no permit.	2	The factory had legal valid permit and approval.
B1.6	Are all site buildings maintained in good condition in both physical appearance and structure?	2 = All site buildings are maintained in good condition, records confirm. 1 = Generally all buildings are in good condition, records incomplete. 0 = Site buildings are not well maintained, not records available.	2	Confirmed by site observation and record review.
B1.7	Have allowable floor weights been determined, posted and communicated to the relevant employees if required by law?	2 = The allowable floor weights have been determined, posted and communicated to the relevant employees, records kept. 1 = The allowable floor weights have been determined, posted and communicated to the relevant employees, records incomplete. 0 = The allowable floor weights haven't been determined/posted/communicated to the relevant employees.	2	The allowable floor weights have been determined and communicated to the relevant employees.
B1.8	Is potable water accessible and adequate on each factory floor?	2 = Potable water is accessible and adequate on each factory floor. 1 = Potable water is available to the factory, adequate accessibility is questionable. 0 = Potable water is NOT adequate.	2	Confirmed by site observation.
B1.9	Are lavatory facilities accessible, clean and reasonable in number on each factory floor?	2 = Lavatory facilities exceed local regulatory requirements. 1 = Lavatory facilities meet local regulatory requirements. 0 = Lavatory facilities do NOT meet local requirements.	2	There were enough clean toilets for workers which was legal.
B2 Fire safety (**for audit in Bangladesh, please see Bangladesh specific section)				
B2.1	Does the Facility have a written fire emergency preparedness plan?	2 = The written fire emergency preparedness plan is available and communicated with all workers, record kept. 1 = The written fire emergency preparedness plan is available and communicated with all workers, record incomplete. 0 = No plan and relevant record.	2	Confirmed by documents review.
B2.2	Does the facility have evacuation routes posted in the work areas and dormitories?	2 = Evacuation routes are posted in the work areas and dormitories. 1 = Evacuation routes are posted in the work areas or dormitories. 0 = No evacuation routes were posted in the work areas and dormitories.	2	Confirmed by site observation.
B2.3	Are fire drills conducted twice a year (one in peak season and one in low season) and documented? (pls list dates of fire drills for the last 12 months)	2 = Fire drills were conducted quarterly and documented. 0 = Fire drills were not conducted quarterly.	2	Confirmed by workers interview and records review. The latest two fire drills were conducted on 20 Aug, 2013 and 8 May, 2013.
B2.4	Does the factory have an adequate number of fire-fighting equipments (fire extinguisher, fire hydrant/fore hose, sprinkler, fire alarm and etc.) in line with local laws?	2 = The factory have an adequate number of fire-fighting equipments in line with local laws. 1 = Number of some type of fire-fighting equipment is inadequate. 0 = The number of all fire-fighting equipments is inadequate.	2	The factory had adequate number of fire-fighting equipments.
B2.5	Are all fire-fighting equipments inspected and tested regularly and ready to use at all times, are they well maintained?	2 = Procedures are available, the fire-fighting equipments have been inspected and tested regularly, they are ready to use, records confirm. 1 = No procedure/record, the fire-fighting equipments have been inspected and tested regularly. 0 = The fire-fighting equipments are not inspected and tested regularly.	2	Based on onsite observation and management interview, the factory inspected all fire fighting equipment once per month.
B2.6	Are appropriate fire extinguishers available, clearly marked, visible, and accessible?	2 = The appropriate fire extinguishers are available, clearly marked, visible, and accessible. 0 = The appropriate fire extinguishers are not available, clearly marked, visible, and accessible.	2	Confirmed by onsite observation, all fire facilities were clearly marked, visible and unblocked.
B2.7	Are fire and hazard early warning systems such as smoke detectors installed and regularly tested?	2 = Fire and hazard early warning systems are installed and tested regularly, records confirm. 1 = Fire and hazard early warning systems are installed and tested regularly, records are incomplete. 0 = Fire and hazard early warning systems are either not installed or those installed are not tested.	2	Based on site observation and management interview, the fire alarm system were test and maintained once per month.
B2.8	Are exit routes, exits and fire exits identified with signs or other indicator lights?	2 = Exit routes, exits and fire exits can be identified with signs or other indicator lights. 1 = Inadequate signs or other indicator lights. 0 = No exit sign or other indicator lights.	2	Confirmed by site observation.
B2.9	Are adequate emergency lights installed on each factory floor?	2 = Adequate emergency lighting is installed one each floor. 1 = Emergency lighting is installed on each floor, adequacy on each floor questionable. 0 = Adequate emergency lighting is not installed on each floor.	2	Confirmed by site observation.
B2.10	Is any fire exit and escape route blocked?	2 = Program was implemented, fire exits and escape routes are not blocked or locked. 1 = fire exits and escape routes are not blocked or locked. 0 = Fire exits and/or escape routes are blocked and/or locked.	2	Confirmed by site observation.
B2.11 (Critical)	Are emergency exit doors able to be opened freely in the direction of travel and without any special knowledge to open? Are they unlocked?	ACC = Emergency exit doors can be opened freely and unlocked in the direction of travel, and without any special knowledge to open. NC = Emergency exit doors can't be opened freely/locked in the direction of travel.	ACC	Confirmed by site observation.
B2.12 (Critical)	Is there a secondary exit for all floors and buildings including dormitories when required by local law?	ACC = Fire exits and escape routes are adequate on each floor. NC = Fire exits and escape routes are not adequate.	ACC	Confirmed by site observation, there were two exits for the all floors at least.
B2.13	Are hazardous and other areas appropriately posted with "No Smoking" signs?	2 = Hazardous and other areas are appropriately posted with "No Smoking" signs. 1 = Signs are insufficient. 0 = No "No Smoking" signs.	2	Confirmed by site observation.
B2.14	Are gas cylinders properly marked, used, inspected, stored and secured?	2 = The gas cylinders are properly marked, used, inspected, stored and secured. 0 = The gas cylinders are not properly marked, used, inspected, stored and secured.	2	Base on site observation and record review.
B2.15	Is there valid fire license where required by law?	2 = The valid fire license is available, record confirmed. 0 = No valid fire license.	2	Confirmed by document review.
B2.16	Is there valid construction approval where required by law?	2 = The valid construction approval is available, record confirmed. 0 = No valid construction approval.	2	Confirmed by document review.
B2.17 (Critical)	Is the childcare facilities located on the ground floor of the building?	ACC = No childcare facility is located on the ground floor of the building. NC = The childcare facility is located on the ground floor of the building.	ACC	Confirmed by site observation.

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B3 Machinery, Dangerous Substance, etc.					
B3.1	Are adequate guarding or devices installed for moving-rotating parts of machine, pulleys and belts or any other dangerous parts of machines?	2 = Program is implemented, adequate guarding/devices are installed for moving/rotating parts on indicated hazardous equipment. 1 = adequate guarding/devices are installed for moving/rotating parts on indicated hazardous equipment. 0 = Such safeguards are not installed.	2	Confirmed by site observation.	
B3.2	Where required, is machinery equipped with emergency stop buttons?	2 = Program is implemented, adequate emergency stop buttons are installed for related machinery. 1 = Inadequate emergency stop buttons are installed for related machinery. 0 = Such emergency stop buttons are not installed.	2	Confirmed by site observation.	
B3.3	Is power isolation equipment (i.e. lockout/tagout) used during maintenance repair?	2 = Procedure are available, the power isolation equipment (i.e. lockout/tagout) is used during maintenance repair, records confirmed. 1 = The power isolation equipment (i.e. lockout/tagout) is used during maintenance repair, no procedure/record. 0 = The power isolation equipment (i.e. lockout/tagout) is not used during maintenance repair.	2	The power isolation was available during maintenance repair.	
B3.4	Is any instruction emphasized to prohibit loose clothing, jewelry or long hair near moving machinery?	2 = Program is implemented, instruction is emphasized to prohibit loose clothing, etc near moving machinery. 1 = Instruction is emphasized to prohibit loose clothing, etc near moving machinery. 0 = Such instruction is not emphasized.	2	Confirmed by site observation.	
B3.5	Are electrical safety procedures implemented effectively to ensure safety precautions such as grounding, discharging and testing to be taken?	2 = The indicated electrical safety procedures are effectively implemented, records confirm. 1 = Generally these procedures are implemented, but are not completely recorded. 0 = These procedures are not implemented.	2	The indicated electrical safety procedures are effectively implemented.	
B3.6	Is electrical equipment, wiring covered and insulated to prevent exposure of wires?	2 = The electrical equipment, wiring is covered and insulated. 0 = The electrical equipment, wiring isn't covered and insulated.	2	Confirmed by site observation.	
B3.7	Are hazardous substances safely and properly labeled, handled, stored and disposed?	2 = Program is implemented, hazardous substances are safely and securely used and stored, records available. 1 = hazardous substances are safely and securely used and stored, records not available. 0 = Hazardous substance are not safely or securely used and stored.	2	Confirmed by site observation and document review.	
B3.8	Are Material Safety Data Sheets (MSDS) available for all chemicals in local language and accessible to employees?	2 = The Material Safety Data Sheets (MSDS) are available for all chemicals in local language and accessible to employees. 1 = MSDSs are insufficient. 0 = MSDSs are not available.	2	Confirmed by site observation and document review.	
B3.9	Are machines equipped as necessary with appropriate dust and/or VOC extraction systems?	2 = The machines are equipped as necessary with appropriate dust and/or VOC extraction systems. 1 = The appropriate dust and/or VOC extraction systems are inadequate. 0 = No appropriate dust and/or VOC extraction systems as necessary.	2	Confirmed by site observation.	
B3.10	Are administration and engineering controls (reduced shift hours, ventilation fans and exhaust fans) introduced to reduce personnel exposure?	2 = Program is implemented, personnel exposure reducing controls are implemented, records confirm. 1 = some controls are implemented, records incomplete. 0 = Such controls are implemented.	2	Confirmed by management interview and records review.	
B3.11	Are appropriate personal protective equipment (PPE) such as goggles, glasses gloves, earplugs/earmuffs, boots or protective clothing provided at factory cost and in fully acceptable condition?	2 = Program is implemented, operation appropriate PPE is provided at factory cost and is in fully functional condition, records confirm. 1 = operation appropriate PPE is provided at factory cost and is in fully functional condition, records incomplete. 0 = No such PPE is provided.	0	Finding: Based on on-site observation, there were two compression molding workers worked without earplugs. (The factory had provided the earplugs) It violated Production Safety Law of the People's Republic of China 37 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.	
B3.12	Are signs posted in all areas where personal protective equipment must be worn?	2 = The signs are posted in all areas where personal protective equipment must be worn. 1 = Some areas are not posted with the signs. 0 = The PPE signs are not posted.	2	Confirmed by site observation, the warn signs were posted in all areas where PPE must be worn.	
B3.13	Does the factory have a suitable working environment with respect to ventilation, temperature, lighting, cleanliness and tidiness?	2 = The factory has a suitable work environment with respect to the indicated conditions, records confirm. 1 = The factory work environment is generally suitable with respect to these conditions. 0 = The factory work environment is not suitable.	2	Confirmed by site observation.	
B3.15	Is there adequate evidence to confirm that workers' health is not affected by hazardous factors?	2 = There is adequate evidence that workers are not affected by hazardous factors. 1 = There is evidence that workers are not affected but records are incomplete. 0 = There is no evidence to confirm that workers are not affected, it is likely that they are affected by hazardous substances in the factory.	2	Confirmed by site observation.	
B3.16	Are functional emergency eyewash stations and showers provided where corrosive chemicals or high volumes of solvents are handled and used?	2 = The functional emergency eyewash stations and showers are provided as necessary. 0 = No functional emergency eyewash station and shower is provided where corrosive chemicals or high volumes of solvents are handled and used.	2	Confirmed by site observation.	
B3.17	Are adequate first aid kits located on each factory floor and marked with signs?	2 = Adequate first aid kits are located on each floor with marked signs. 1 = First aid kits are located on each floor, number may not be adequate nor are they marked. 0 = First aid kits are completely lacking or inadequate in number and not on every floor or marked.	2	First aid kits were available in place and mark with signs.	
B3.18	Are an adequate number of workers trained in first aid?	2 = There are an adequate number of first aiders trained. 1 = First aiders are trained, number may not be adequate, records incomplete. 0 = First aiders are not trained.	2	Confirmed by document review, there was 4 trained first aiders, one of them named Xu Xiaolin	
B4 Dormitory					
B4.1	If there are dormitories, are they clean, safe, properly equipped and sufficiently spacious.	2 = The living condition is good and exceeds local laws or prevailing industry standards. 1 = Living condition meets local laws/prevaling industry standards. 0 = Living condition are poor nor does not meet local laws/standards.	NA	No dormitory was available in this factory.	
B4.2	If there are dormitories, are they equipped sufficient shower and lavatories, clean and useable.	2 = The facilities are good and exceeds local laws or prevailing industry standards. 1 = The facilities meets local laws/prevaling industry standards. 0 = Living condition are poor nor does not meet local laws/standards.	NA	No dormitory was available in this factory.	
B4.3	If there are dormitories, are they equipped sufficient fire fighting facilities and they are useable.	2 = Program is implemented, the facilities are sufficient and useable. 1 = The facilities are sufficient and useable. 0 = No	NA	No dormitory was available in this factory.	
B4.4 (Critical)	Is any workers' dormitory located in the same building as the production and/or warehousing occur?	ACC = Worker dormitories are NOT located in the same buildings as production or warehouses. NC = At least some dorm space is located in production/warehouse buildings.	NA	No dormitory was available in this factory.	

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B4.5	Are rules legal and reasonable, the workers understand?	2 = The rule are legal and reasonable, relevant records are available. 1 = The rule are legal and reasonable, no record. 0 = The rule are not legal nor reasonable.	NA	No dormitory was available in this factory.
B4.6	Are the factory kitchen and canteen clean and hygienic with adequate facilities?	2 = Factory kitchen/canteen facilities are clean, hygienic and adequate. 1 = Factory kitchen/canteen facilities appear adequate, may not be clean/hygienic. 0 = Factory kitchen/canteen facilities are NOT adequate or clean/hygienic.	2	Confirmed by site observation.
B4.7	Does the kitchen/ cafeteria staff have appropriate food safety training and hygiene certificates?	2 = The food safety training is provided to kitchen/cafeteria staffs, records confirmed, the hygiene certificate is available. 1 = The food safety training is provided to kitchen/cafeteria staffs, records incomplete/ the hygiene certificate isn't available. 0 = No training/ no hygiene certificate.	2	Confirmed by document review. The factory had obtained the certificate for the kitchen and canteen. And the Chefs had been trained.
Total Score =		93	Total Achieved Score =	81

C1. Freedom of Association

No.	Requirements	Guideline	Score	Comments
C1.1	Does the factory have a copy of valid laws and regulations on trade union and freedom of association or understand its requirements?	2 = Factory has a copy of the current National laws/regulations. 1 = No copy, but the factory management understand the National laws/regulations. 0 = No.	2	The factory had a copy of the current National law and understand its requirements.
C1.2	Are employees' rights of freedom of association ensured as required by law?	2 = The workers have right to form and join unions/associations, interview/records confirm. 0 = The employee's right of freedom of association isn't ensured.	2	Confirmed by management and workers interview.
C1.3	Does the factory allow/permit workers to elect a representative from their own group to facilitate communication with senior management?	1 = Yes, workers elect their representatives, records confirm. 0 = No, representatives are not elected by the workers.	1	Confirmed by management and workers interview.
C1.4	Do workers have access to and are familiar with procedures for filing complaints about their concern?	2 = Policy and procedures were available and communicated, workers have access to and are familiar with complaint filing, interviews/records confirm. 1 = workers have access to and are familiar with complaint filing, interviews/records confirm. 0 = Workers do NOT have access to such procedures nor are they familiar with their right to file complaints.	2	Confirmed by workers interview, policy and procedures were available and communicated, workers have access to and are familiar with complaint filing.
C1.5	For a non-unionized factory, are fair and effective mechanisms in place to air and resolve the grievances of workers?	2 = The factory does have fair and effective mechanisms implemented that permit workers to air and resolve grievances, interviews/records confirm. 1 = The factory may have fair and effective mechanisms implemented but effectiveness is questionable, interviews/records not conclusive. 0 = The factory have no such mechanisms implemented.	2	Confirmed by workers interview. Workers could appeal to supervisors directly.
Total Score =		9	Total Achieved Score =	9

D1. Environment

No.	Requirements	Guideline	Score	Comments
D1.1 (Critical)	Does the factory have all permits and licenses required by national/local laws or regulations other than for waste air discharging?	ACC = Factory has all required permits and licenses required by local laws/regulations. NC = Factory does NOT have the required permits or licenses.	ACC	Factory had all required permits and licenses required by local laws.
D1.2	Does the factory have all permits and licenses required by national/local laws or regulations for waste air discharging?	2 = Full compliant 0 = No related documents	2	Confirmed by document review.
D1.3	Does the factory have a current environmental management system certification (ISO 14001)?	2 = Factory EMS is ISO 14001 registered; records confirm. 1 = Factory has implemented EMS, registration pending; records confirm. 0 = Factory has NO EMS or equivalent.	2	The factory had established the EMS.
D1.4	Does the factory provide environmental awareness training to each level of management and all workers?	2 = Relevant personnel are trained (and recently) in the safe use, handling and disposal of hazardous substances, interviews/records confirm. 1 = Some personnel have been trained, relevant employees, may not be recent; records incomplete. 0 = The factory does NOT train relevant personnel in these tasks.	2	The factory had provided environmental awareness training to employees.
D1.5	Can any kind of substantial pollution be observed throughout the facility?	2 = No substantial pollution can be observed. 0 = Substantial pollution can be observed.	2	No substantial pollution was observed.
D1.6	Does the factory have proper wastewater and waste air treatments before releasing?	2 = Program is implemented, records were available. 1 = The factory treat the wastes before releasing, no program. 0 = The factory does not treat the wastes before releasing	2	The factory had established the wastewater treatment facilities.
D1.7	Does the factory implement any programs on reuse, reduce or recycle?	2 = Program is implemented, records were available. 1 = The factory has implemented, no record. 0 = No.	2	The factory implemented programs on reuse and recycle, records were available.
D1.8	Have there been any notices of deficiencies issued by government agencies in the past year?	2 = Factory has received no notices of deficiencies issued by government agencies in the last 12 months, records confirm. 1 = Factory received such notice, but records show that the deficiencies have been corrected, government agency records confirm. 0 = Factory has received notice of such deficiencies in the last 12 months, corrective action NOT recorded/confirmed	2	Factory had received no notices of deficiencies issued by government agencies in the last 12 months.
Total Score =		14	Total Achieved Score =	14

E1. Bribery

No.	Requirements	Guideline	Score	Comments
E1.1 (ZT)	Is there any bribery case identified during the audit?	ACC = Fully Compliant FAIL = Evidence of Bribery Exists	ACC	Fully compliant.

F1. Sub-Contracting

No.	Requirements	Guideline	Score	Comments
F1.1 (Critical)	Does the supplier subcontract any products without Wilton's authorization?	ACC = Fully Compliant NC = Records were not provided	NA	There was no subcontractor in this factory.

ADDITIONAL REQUIREMENTS

* below four checkpoints were not counted in the scoring.

No.	Requirements	Guideline	Score	Comments
1	Are there trained firefighters for each floor of the facility?		ACC	There were 5 trained firefighters in the factory.
2	Is there any internal mechanism of barred windows for emergency release or removal to allow for worker escape?		ACC	There was one such mechanism.
3	Are assembly points designated, marked and kept clear?		ACC	Assembly points were designated, marked and kept clear.
4	Are hazardous and flammable chemicals kept away from ignition sources?		ACC	Hazardous had kept away from ignition sources.



Code of Conduct Audit Checklist



Photographs of factory and defects are attached with this report





Finishing goods



Emergency light and exit sign



Fire hydrant



Fire extinguisher



Fire alarm



Escape plan



Warning signs



Potable water



Toilet



First aid kit



Attendance machine



Suggestion box



Kitchen



Canteen



Two compression molding workers worked without earplugs.