
Auditee :	DongGuan XinHui accessories Co.,Ltd
Audit Date From :	05/04/2016
Audit Date To :	05/04/2016
Expiry Date of the Audit :	05/04/2017
Auditing Company :	Intertek
Auditor's Name(s) :	Bruce Wang(Lead)
Auditing Branch (if applicable) :	Intertek South China - Shenzhen



BSCI Audit Summary Report

This is an extract of the on line Audit Report. The complete report is available in the BSCI Platform.
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Rating Definitions



Rating	A combination of ratings per performance area where:	Consequence																																													
<p>A OUTSTANDING</p>	<p>o Minimum 7 performance area rated A o No Performance area rated C, D or E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	<p>The auditee has the level of maturity to maintain its improvement process without needing follow-up audit.</p>
A	A	A	A	A	A	A	A	A	A	A	A	A	A	A																																	
A	A	A	A	A	A	A	A	A	A	A	A	B	B	B																																	
A	A	A	A	A	A	A	A	B	B	B	B	B	B	B																																	
<p>B GOOD</p>	<p>o Maximum 3 performance area rated C o No performance area rated D or E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr> <tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>C</td></tr> </table>	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	A	A	A	A	A	A	B	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	B	C	C	C	C	<p>The auditee has the level of maturity to maintain its improvement process without needing follow-up audit.</p>
A	A	A	A	A	A	B	B	B	B	B	B	B	B	B																																	
A	A	A	A	A	A	B	B	B	B	B	B	B	B	C																																	
B	B	B	B	B	B	B	B	B	B	B	C	C	C	C																																	
<p>C ACCEPTABLE</p>	<p>o Maximum 2 performance areas rated D o No performance area rated E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr> <tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	C	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	C	D	D	C	C	C	C	C	C	C	C	C	C	C	C	C	D	D	<p>The auditee needs follow up on its progress. The auditee develops a remediation plan within 60 days following the completion of the audit.</p>
A	A	A	A	A	A	A	A	A	A	C	C	C	C	C																																	
A	A	A	A	A	B	B	B	B	C	C	C	C	D	D																																	
C	C	C	C	C	C	C	C	C	C	C	C	C	D	D																																	
<p>D INSUFFICIENT</p>	<p>o Maximum 6 performance area rated E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td><td>D</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td></tr> <tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	A	D	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	D	E	E	D	D	D	D	D	D	D	D	E	E	E	E	E	E	E	<p>The auditee needs follow up on its progress. The auditee develops a remediation plan within 60 days following the completion of the audit.</p>
A	A	A	A	A	A	A	A	A	A	A	D	D	D	D																																	
A	A	A	B	B	B	C	C	C	D	D	D	D	E	E																																	
D	D	D	D	D	D	D	D	E	E	E	E	E	E	E																																	
<p>E UNACCEPTABLE</p>	<p>o Minimum 7 performance areas rated E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	E	E	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	<p>BSCI participants shall closely oversee the auditee's progress as it may represent a higher risk than other business partners</p>
A	A	A	A	A	A	E	E	E	E	E	E	E	E	E																																	
A	A	B	B	C	D	E	E	E	E	E	E	E	E	E																																	
E	E	E	E	E	E	E	E	E	E	E	E	E	E	E																																	
<p>Zero Tolerance</p>	<p>A Zero Tolerance issue was identified (see Annex 5)</p>	<p>Immediate actions are required. The BSCI Zero Tolerance Protocol is to be followed.</p>																																													

Main Auditee Information



Name of producer :	DongGuan XinHui accessories Co.,Ltd		
DBID number :	357774		
Audit ID :	46435		
Address :	No.21, TaiAn Street, YongTou Admin Area, ChangAn Town. Dongguan		
Province :	Guangdong	Country :	China
Management Representative :	Li Xu/General manager		
Contact person:	Xu Li	Sector :	Non-Food
Industry Type :	Others	Product group :	Others
Product Type :	accessories		

Audit Details



Audit Range :	<input checked="" type="checkbox"/> Full Audit	<input type="checkbox"/> Follow-up Audit
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural
Audit Announcement :	<input checked="" type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced <input type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No	
Audit extent (if applicable) :	none	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	C	
Need of follow-up :	Yes	If YES, by : 05/04/2017

Rating per Performance Area (PA)

PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
C	C	A	A	B	D	A	A	A	A	A	A	A

Executive summary of audit report

Dongguan Xinhui Accessories Co., Ltd.(Business License number 441900001157637) is located at No.21, TaiAn Street, YongTou Admin Area, ChangAn Town, DongGuan City, GuangDong Province, China. The total land area occupied by the facility was about 700 m2. They had started their operation at the existing location since November 14, 2006. A total of 30 employees including 15 female employees and 15 male employees were working in the facility during the audit. The facility consisted of one 3- storey building used as production, warehouse and office. No dormitory, kitchen or canteen was provided by the facility. The main products manufactured by the facility covered handbags and decorations. The main production processes were listed as follows: Die-cutting, Sewing, Inspection and Packing. The production capacity of handbags and decorations was not provided. Total machines per type were: Totally mainly 28 machines, including 3 die-cutting machines, 25 sewing machines. Based on the provided attendance record from March 1, 2015 to April 5, 2016, it was noted that the employees regularly worked for 8 hours per day and 5 days per week in one shift. The normal working hour is from 08:00-17:30 with 1.5 hours' lunch break from 12:00 to 13:30. Employees sometimes overtime worked 2 hours per day and 8 hours on Saturday when busy. Finger print attendance system was used for time keeping and employees should scan their fingers when they went in and out the workshop. The peak season is not obvious as per the management interview. Based on the provided payroll records from March 2015 to February 2016, it was noted that employees' wages were calculated on an hourly-rated basis. The lowest basic wages were RMB 1600/month which was higher than the local legal minimum requirement of RMB 1510/month since May 1, 2015 and RMB 1310/month before May 1, 2015. For overtime wages, 150%, 200%, 300% of basic wages were paid to employees for their overtime hours on workdays, rest days and statutory holidays respectively. Employees were paid by cash on the 30th of each month after the previous wage calculation cycle. Remark: The auditee only occupied the half of the first floor of the production building, another half was occupied by another company which produced packing material and had its own separated business license and had no business with the auditee, so it was not included in this audit scope.

Ratings Summary



Auditee's background information			
Auditee's name :	DongGuan XinHui accessories Co.,Ltd	Legal status :	Ltd Company
Local Name :	东莞市昕辉饰品有限公司	Year in which the auditee was founded :	2006
Address :	No.21, TaiAn Street, YongTou Admin Area, ChangAn Town.	Contact person (please select) :	Xu Li
Province :	Guangdong	Contact's Email :	3198596925@qq.com
City :	Dongguan	Auditee's official language(s) for written communications :	Chinese
Region :	North East Asia	Other relevant languages for the auditee :	Nil
Country :	China	Website of auditee (if applicable) :	N/A
GPS coordinates :	Nil	Total turnover (in Euros) :	2600000.00
Sector :	Non-Food	Of which exports % :	100.00
Industry :	Others	Of which domestic market % :	0.00
If other, please specify :		Production volume :	Not provided
Product Group :	Others	Production cost calculation :	Yes
If other, please specify :		Lost time injury calculation cost :	Yes
Product Type :	accessories		

Auditee's employment structure at the time of the audit			
Total number of workers :	30	Total number of workers in the production unit to be monitored (if applicable) :	0
		MALE WORKERS	FEMALE WORKERS
Permanent workers		15	15
Temporary workers		0	0
In management positions		2	2
Apprentices		0	0
On probation		0	0
With disabilities		0	0
Migrants (national citizens)		15	15
Migrants (foreign citizens)		0	0
Workers on the permanent payroll		15	15
Production based workers		10	12
With shifts at night		0	0
Unionised		0	0
Pregnant		-	0
On maternity leave		-	0

Finding Report



Performance Area 1 : Social Management System and Cascade Effect

GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: C		
None	Based on satisfactory evidence, the main auditee partially respects this principle because: There was no satisfactory evidence that the auditee's workforce capacity is properly organised to meet the expectations of the delivery order and/or contracts because excessive monthly overtime hours were noted in Checkpoint 6.2. 根据充分证据, 主要被审核方部分遵守该原则: 由于在检查点6.2有发现月加班超36个小时, 所以没有充分的证据证明公司对员工数量合理规划以满足订单/合同要求。 BSCI requirement: In accordance with BSCI 1.4 requirement, the facility should set up effective workforce planning that allows the auditee to reduce overtime in compliance with local law. 依据 BSCI 1.4的要求, 企业应建立有效的人力资源加班时间的控制计划, 确保加班时间符合当地法规要求。	05/07/2016
Remarks from Auditee:		

Performance Area 2 : Workers Involvement and Protection

GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: C		
None	Based on satisfactory evidence, the main auditee partially respects this principle because: 根据充分证据, 主要被审核方部分遵守该原则: 1.As per document review and management and employee review, it was noted that the facility did not define a long term goals to protect workers according to the BSCI Code of Conduct. 通过文件审核和管理层以及员工面谈了解到, 企业没有依据BSCI的行为准则制定一个长远的目标来保护员工。 2. It was noted that the facility did not conduct BSCI code training to employees. 审核发现企业没有对所有员工进行BSCI行为守则的培训。 Requirement: 1.In accordance with BSCI 2.2 requirement, the facility should define long term goals to protect workers according to the BSCI Code of Conduct. 依据BSCI 2.2的要求, 企业应该依据BSCI的行为准则制定一个长远的目标来保护员工。 2. In accordance with BSCI 2.4 requirement, the facility should conduct BSCI code training to all newly hired employees. 依据 BSCI 2.4的要求, 企业应对所有的员工进行BSCI行为守则的培训。	05/07/2016
Remarks from Auditee:		

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

GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		

Performance Area 4 : No Discrimination

GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		

Performance Area 5 : Fair Remuneration		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: B		
None	<p>Based on satisfactory evidence, the main auditee partially respects this principle because: 根据充分证据, 主要被审核方部分遵守该原则: Finding: Insufficient social insurance participated. Based on social insurance receipt in February 2016, auditor found that there were only 7 out of 30 employees had participated in basic endowment insurance and unemployment insurance; 9 out of 30 employees had participated in injury insurance, basic medical insurance and maternity insurance. Additionally, the factory provided one commercial group accident insurance for total 32 employees which was valid from April 23, 2015 to April 22, 2016. 社会保险参保不足。通过查看2016年2月份社保发票显示, 企业的30个员工中, 只有7人参加养老保险和失业保险, 9人参加工伤保险, 医疗保险, 生育保险。另外, 工厂有购买一份团体意外险给32个员工, 有效期为2015年4月23日到2016年4月22日。Law: In accordance with the Social Insurance Law of the People's Republic of China, Article 10 Employees shall participate in the basic endowment insurance, and the basic endowment insurance premiums shall be jointly paid by employers and employees. Article 23 Employees shall participate in the basic medical insurance for employees, and the basic medical insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33 Employees shall participate in the employment injury insurance, and the employment injury insurance premiums shall be paid by their employers rather than the employees. Article 44 Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53 Employees shall participate in maternity insurance, and the maternity insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state. 依据《中华人民共和国社会保险法》第十条, 职工应当参加基本养老保险, 由用人单位和职工共同缴纳基本养老保险费。第二十三条 职工应当参加职工基本医疗保险, 由用人单位和职工按照国家规定共同缴纳基本医疗保险费。第三十三条 职工应当参加工伤保险, 由用人单位缴纳工伤保险费, 职工不缴纳工伤保险费。第四十四条 职工应当参加失业保险, 由用人单位和职工按照国家规定共同缴纳失业保险费。第五十三条 职工应当参加生育保险, 由用人单位按照国家规定缴纳生育保险费, 职工不缴纳生育保险费。</p>	05/07/2016
Remarks from Auditee:		

Performance Area 6 : Decent Working Hours		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: D		
None	Based on satisfactory evidence, the main auditee partially respects this principle because: 根据充分证据, 主要被审核方部分遵守该原则: Finding: Overtime hours exceeded the legal requirement. Through document review, auditor found that the monthly overtime hours of 8 out of 8 randomly selected employees ranged from 50 to 56 hours in May 2015 (random month); 7 out of 8 randomly selected employees were 56 hours in September 2015(random month). 加班时间超过法规要求。通过文件审核, 审核员发现在抽取的2015年5月份(随机月)的考勤中, 8名随机抽取的员工中有8人的月加班时间为50到56个小时;2015年9月份(随机月)的考勤中, 8名随机抽取的员工中7人的月加班时间为56个小时。Law: In accordance with the PRC Labour 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 labourers, 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 labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours. 依据《中华人民共和国劳动法》第41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。	05/07/2016
Remarks from Auditee:		
Performance Area 7 : Occupational Health and Safety		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	Based on satisfactory evidence, the main auditee partially respects this principle because: 根据充分证据, 主要被审核方部分遵守该原则: Finding: Machines without protective devices. During facility tour, auditor found that no safety guard was installed for rolling part of 6 out of 25 sewing machines in the sewing workshop. 设备缺少安全防护装置。在现场巡查时, 审核员发现厂房三楼共有25台缝纫机, 其中6台的皮带轮没有防护罩。Law: In accordance with Law of the PRC on Work Safety article 33, The design, manufacture, installation,application, inspection, maintenance, repair of and safety facilities shall comply with the national or industrial standards. Manufacturing units shall maintain and inspect the safety facilities regularly to ensure they are in good working conditions. Maintenance and inspection records should be properly maintained and assigned to relevant staff. 依据《中华人民共和国安全生产法》第33条, 安全设备的设计、制造、安装、使用、检测、维修、改造和报废, 应当符合国家标准或者行业标准。生产经营单位必须对安全设备进行经常性维护、保养, 并定期检测, 保证正常运转。维护、保养、检测应当作好记录, 并由有关人员签字。Remark: No dormitory, canteen, kitchen or transportation was provided to employees. 备注: 工厂没有提供宿舍, 饭堂, 厨房和交通给员工。	05/07/2016
Remarks from Auditee:		
Performance Area 8 : No Child Labour		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		

Performance Area 9 : Special protection for young workers		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		
Performance Area 10 : No Precarious Employment		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		
Performance Area 11 : No Bonded Labour		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		
Performance Area 12 : Protection of the Environment		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		
Performance Area 13 : Ethical Business Behaviour		
GOOD PRACTICES	AREAS OF IMPROVEMENT	DEADLINE DATE
Full Audit [46435] Audit Date: 05/04/2016 PA Score: A		
None	None	
Remarks from Auditee:		

Summary



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	05/04/2016	46435	C	C	A	A	B	D	A	A	A	A	A	A	A	C

Producer Photos



External photo(s) of the production unit(s)
facility gate.JPG



Photo of fire safety equipment
hydrant and fire alarm.JPG



Photo of the inside of the main production hall
Sewing.JPG



External photo(s) of the production unit(s)
facility name.JPG



Photo of fire safety equipment
fire extinguisher.JPG



Photo of the inside of the main production hall
Inspection.JPG



Photo first aid facilities
first aid box.JPG



Photo of non-conformity
Sewing machine without belt guard.JPG



Photo of the inside of the main production hall
Electronic attendance system.JPG



Photo of fire safety equipment
emergency light and exit sign.JPG



Photo of the code of conduct on display
Display of BSCI code.JPG



Photo of the inside of the main production hall
portable water.JPG



Photo of fire safety equipment
evacuation indicator.JPG



Photo of the inside of the main production hall
Warehouse.JPG



Photo of the inside of the main production hall
Suggestion box.JPG



Photo of fire safety equipment
evacuation map.JPG



Photo of the inside of the main production hall
Die-cutting.JPG



External photo(s) of the production unit(s)
Business license.JPG