



Global Inspection

INS# :	1513867
Report Date :	22 July 2015
Supplier :	Xiamen Whbag Import & Export Co Ltd
Factory :	Xia Men Whbag Textile Co Ltd
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COMBINED ETHICAL AND QUALITY AUDIT

General Details

Supplier Name	Xiamen Whbag Import & Export Co Ltd
Supplier Location	No 935, Xi Tang Xi Road, Xi Tang Village, XinMin Town, Tongan District, Xiamen City, China.
Supplier Contact	Nicole
Supplier Telephone and E-mail	Tel: 86 592 3571164 E-mail: Abigale@whbagsales.com
Factory Name	Xia Men Whbag Textile Co Ltd
Factory and Full Address	No 935, Xi Tang Xi Road, Xi Tang Village, XinMin Town, Tongan District, Xiamen City, China.
Factory Contact	Mr. George Zhang
Factory Telephone and E-mail	Tel: 86 592 3571164 E-mail: george@whbagsales.com
Audit date	15 July 2015
Standard	ETI Base Code and ISO 9001:2000
Type of audit	Full Initial Audit
Products currently or proposed to be supplied	Bags.

Overall grading

KEY A = Factory is fully compliant B = Minor issues found C = Major issues found D = Critical issues found (See end of report for notes and audit methodology)	Overall Results				
	(Non Compliances)				
	Grade	Total	Minor	Major	Critical
Ethical	B	1	1	0	0
Quality Systems	B	3	3	0	0

Executive Summary

This factory was established on 29 March 2010 and located at No 935, Xi Tang Xi Road, Xi Tang Village, XinMin Town, Tongan District, Xiamen City, China. It occupied approximate 11905.6 square meters with one building for production & warehouse and one building for office, no dormitory and canteen in the factory. Total number of employees is 161.

The factory specializes in making bags; The main production processes are cutting, sewing and packing, etc.

Factory management were cooperative in the process of audit, and promised to improve all the findings as best as they could.

Remark: Provided business licence showed the factory address is "B41 of 2F, Baolu Comprehensive Building, Fengshan Road, Datong, Tongan District, Xiamen City" which is different from the one shown in the booking form, the factory representative explained that the one shown in the booking form was correct one because they moved their factory from "B41 of 2F, Baolu Comprehensive Building, Fengshan Road, Datong, Tongan District, Xiamen City" to current location in January 2014 but the factory address in the business license has not been changed.

Audited by		Checked by		Approved by	
Name	Iverson Lee	Name	Tracy Xu	Name	Harry Lin
Title	Auditor	Title	Audit Coordinator	Title	Manager, CSR & Factory Audit
Date	15 July 2015	Date	21 July 2015	Date	22 July 2015



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CORRECTIVE ACTION PLAN

CODE OF CONDUCT ISSUES

	Non-Compliance	Grade	Corrective Action Advised	Proposed Complete date
1.	The viewer's location was wrongly marked in one fire evacuation plan posted on the 1 st floor of production building. (See image 30)	B	Ensure each indication marked in the fire evacuation plans could meet the actual situation to avoid confusion.	

QUALITY SYSTEMS ISSUES

	Non-Compliance	Grade	Corrective Action Advised	Proposed Complete date
1.	Organization chart was established but relevant job descriptions were not established.	B	Relevant job descriptions should be established.	
2.	All 9 suppliers were audited but only the records for 7 out of 9 suppliers were kept.	B	All suppliers should be audited all relevant records should be kept for further review.	
3.	No relevant environmental aims were established base on the environmental policy as supporting.	B	Relevant environmental aims should be established base on the environmental policy as supporting.	

Recommended Re-audit date

15 October 2015



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Factory Profile							
1.	Factory Name (Include all names)	Xia Men Whbag Textile Co Ltd					
2.	Factory Address	No 935, Xi Tang Xi Road, Xi Tang Village, XinMin Town, Tongan District, Xiamen City, China.					
3.	Any Other Factory Location (give address)	N/A.					
4.	Factory History	Company founded		Factory Site Opened			
		29 March 2010		29 March 2010			
5.	Factory Owners	Name		Title			
		Mr. Zhang Cong Ren		General Manager			
6.	Factory Representatives Present	Name		Title			
		Mr. Zhang Wen Wei		General Manager Assistant			
7.	TSGI/ Client Staff Present	Name		Title			
		Iverson Lee		Auditor			
8.	Products being produced on site	Bags.					
9.	Factory Area in Square Metres	11905.6 square meters.					
10.	No. of Buildings	2.					
11.	Equipment/ Machines	Type			Number		
		Cutting machine; Sewing machine.			3 sets; 206 sets.		
12.	Total Number of Employees	Total	Male	Female			
		161	78	83			
13.	Total Number of Employees	161					
14.	Breakdown of employees	Managers	Admin	Engineering	QA/QC	Workers	Part-time
		4	8	3	5	141	0
15.	Ethnic background of workers	Chinese			161		
		N/A.			N/A.		
16.	Does the factory provide accommodation to workers? (How many rooms)	No accommodation in the factory.					
17.	Does the accommodation belong to factory or is it rented?	N/A.					
18.	What accreditations does the factory have?	No accreditations.					
19.	When did management hear of customer code of conduct?	The management did not hear of customer code of conduct.					
20.	Explain what has been done to ensure compliance with the standard?	N/A.					



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A. ETHICAL SECTION (ETI Base Code)

1. Employment is freely chosen

No	Question	NA	NC	PC	C	Remarks / Comments
1.	There is no forced or involuntary prison labour.				X	
2.	Workers are not required to lodge 'deposits' or their identity papers with their employer.				X	
3.	Workers are free to leave their employer after giving reasonable notice.				X	
4.	Are workers during off-hours free to come and go?				X	
5.	Is there a curfew time for workers at their dormitories?	X				No dormitory was provided to the workers.
6.	Are their security guards? What are their duties?				X	Safeguard the factory property and control foreign vehicles and visitors.
7.	Does the factory have a written policy regarding forced or prison labour?				X	

2. Freedom of association & the right to collective bargaining are respected

No	Question	NA	NC	PC	C	Remarks / Comments
1.	Workers have the right to join or form trade unions or their own choosing and to bargain collectively.				X	
2.	The employer adopts an open attitude towards the activities of trade unions and their organisational activities.				X	
3.	Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.				X	4 workers' representatives were voted by the workers in the factory.
4.	Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.	X				The right to freedom of association and collective bargaining is not restricted.
5.	Is there a union or workers association in the factory that provides the means for Collective Bargaining?	X				There is no union in the factory.
6.	What other methods exist for the workers to raise their grievances and concerns to management?					Through suggestion box or report to team leader / supervisor directly.
7.	Is there a written grievance procedure available?				X	
8.	By what means is the grievance procedure communicated to the workers?					It was communicated to workers when they joined in the factory.



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9.	Is there any evidence of intimidation in relation to the right to collective bargaining?				X	No such evidence.
10.	Is there evidence that the factory management has been responsive to grievances raised by workers individually or collectively?				X	

3. Working Conditions are safe and hygienic						
No	Question	NA	NC	PC	C	Remarks / Comments
1.	A safe and hygienic environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.			X		Please see below.
2.	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 minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.			X		Risk was found in the factory, details please see below.
3.	Does the company have written records of regular risk assessments for Health & Safety concerns?				X	Provided records showed regular risk assessments for Health & Safety concerns were carried out in the factory.
4.	Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new and reassigned workers.				X	
5.	Does the company have an injury or accident record that is up to date?				X	
6.	What the most common injuries noted in this record?					No injury and accident happened till now, and the statistic result was nil.
7.	In general, have the facilities sufficient ventilation, heating and lighting?				X	
8.	In general, is the housekeeping sufficient?				X	
9.	Are electrical installations adequate and properly maintained and do not present any safety hazard?				X	
10.	Has the structural integrity of the building been inspected? Is there documentation to prove this?				X	
11.	Is machinery well maintained? How often is it inspected and is this documented?				X	Machinery maintenance records showed machinery was inspected daily.
12.	Are machine guards being used wherever appropriate?				X	
13.	Are hazardous materials/ chemicals properly stored in a separate well-ventilated storage facility and under lock and key?				X	
14.	Are Material Safety Data Sheets (MSDS) for hazardous chemicals suitably displayed and in local language?				X	



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15. Are warning posters visible in areas where hazardous chemicals are stored or used?				X	
16. Is appropriate First Aid available near toxic chemicals?				X	
17. Is there any evidence of pollution from chemicals or paints in the air?				X	
18. Is proper Personal Protective Equipment (PPE) such as clothing, masks, ear plugs, respirators available at company expense?				X	
19. Is PPE being used by the workers in the correct manner and where required?				X	
20. Are there records to show that workers have been trained in the correct use and importance of PPE?				X	Provided training records showed all workers were trained in the correct use and importance of Personal Protective Equipment (PPE).
21. Are there records to show which workers have been trained in First Aid. Are these workers visibly identified by some means?				X	2 out of 161 employees had received first aid training in the factory and their names & photos & mobile phone numbers were posted on the first aid boxes.
22. Are there sufficient First Aid boxes on each floor and easily accessible?				X	
23. Are First Aid boxes correctly stocked with items suitable for the most common injuries that need instant attention?				X	
24. What types of warning system is used for emergency?					Fire alarm.
25. Are there fire alarms on each floor and emergency lighting above exits?				X	
26. Are exits clearly marked and is there an evacuation plan on each floor?				X	
27. Are all aisles clearly marked and passable?				X	
28. Are all floors clean and free of obstruction? Are the floors non-slippery?				X	The floors are non-slippery.
29. Are fire evacuation plans clearly explained in local language?			X		The viewer's location was wrongly marked in one fire evacuation plan posted on the 1 st floor of production building. (See image 30)
30. Are all emergency exit routes clearly passable and unlocked during working hours?				X	
31. Do these exits lead to a place of safety and is the route easy to follow even for elderly workers?				X	
32. Are fire escapes and exits available and accessible on all floors?				X	
33. Are there adequate fire extinguishers, or other means of fighting fire, on each floor?				X	
34. Are fire extinguishers thoroughly inspected on an annual basis?				X	All fire fighting equipments were maintained and checked for function monthly.
35. How often does the factory practice a fire evacuation drill? When was the last one? Is there evidence to support this?				X	Fire drill was carried out twice per year and the latest fire drill was carried out on 11 April 2015.



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36. Is there written documentation regarding smoking in the factory? Is there evidence that these rules are strictly implemented?				X	
37. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.				X	
38. What is the ratio of toilets to male and female workers.					For male: 1:13; For female: 1:14.
39. Describe the type of toilets and the conditions they are in.					Toilets are separated according to gender and they are good condition.
40. Is there a regular cleaning roster for all toilets and is this correctly documented?				X	The cleaning roster showed that toilets were cleaned twice per day.
41. Is there sufficient privacy for workers when using the toilet facilities?				X	
42. Are toilets and potable water accessible to all workers and can they use these facilities at any time?				X	
43. What are the arrangements the factory makes for providing food to the workers?					90 minutes as lunch time.
44. Are the kitchens maintained in a clean manner?	X				No kitchen and canteen were provided to the workers.
45. Is there a regular cleaning roster for the kitchens and canteen area and is this correctly documented?	X				
46. What provisions does the factory make for pest control? Is there documented and visible evidence of this?				X	The pest control activities were subcontracted to one qualified company and regular pest control activities were recorded for further review.
47. Are there any medical facilities on site?	X				No medical facilities on site.
48. Are there written procedures to document action to be taken for medical emergencies?				X	
49. List all issues relating to health and safety found during the factory tour?					Refer to the context.
50. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.	X				No dormitory provided to workers and all workers lived outside of the factory.
51. How many workers live in factory provided dormitories/ accommodation?	X				
52. How many workers will share one room? Approximate square metre size of room?	X				
53. Does each worker have a locker for keeping their private possessions?	X				
54. What furniture is provided by the factory?	X				
55. What is the condition of the toilet facilities?	X				
56. Is hot water available for washing?	X				
57. Are dormitories and common areas safe for both women and men?	X				



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58. Is there some form of security that controls access by unauthorised people to the dormitories?	X				
59. Are dormitories correctly segregated between men and women?	X				
60. Are dormitory rules posted in the local language?	X				
61. Is there adequate heating in the dormitories and is this provided by the factory?	X				
62. Are fire escapes adequate, accessible, unlocked?	X				
63. Is fire fighting equipment easily at hand?	X				
64. Are emergency routes posted clearly in local language?	X				
65. The company observing the code shall assign responsibility for health and safety to a senior management representative. What is his name?				X	Mr. Zhang Hua Wei (Admin Supervisor) is responsible for health and safety.
66. Has the factory had any violations against local or international Health and Safety laws in the last 5 years?				X	No such evidence.

4. Child labour shall not be used						
No	Question	NA	NC	PC	C	Remarks / Comments
1.	There shall be no recruitment of child labour				X	
2.	What are the local government regulations relating to minimum age of employment?					16 years old.
3.	If young workers are permitted by local law what are the special conditions related to this employment?					No young workers shall be arranged to engage in working that is poisonous or harmful, work with Grade Four physical labour intensity as stipulated by the State, or other work that they should avoid.
4.	Does the factory have a documented policy relating to minimum age of employment?				X	
5.	How is the factory's policy and local law communicated to all the workers?					It was communicated to workers when they joined in the factory.
6.	What age is the youngest worker in the factory?					18 years old.
7.	How does the factory ensure that workers meet the minimum age requirements?					Factory would carefully check workers' ID cards when they joined the factory and the ID card photocopies were kept in workers' personnel files for further review.
8.	If any child labour is found, what is the factory's explanation or justification for this?	X				No child labour was found during the audit.
9.	Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.	X				



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10. Children and young persons under 18 shall not be employed at night or in hazardous conditions.	X				No young worker was found during the audit.
11. Is there a register of workers under 18 in the factory?	X				
12. Do workers under 18 have a half yearly health exam?	X				
13. Is there any provision for workers under 18 to further their studies?	X				
14. These policies and procedures shall conform to the provisions of the relevant ILO standards.	X				
15. Are there any apprenticeship or work experience schemes in the factory? What is the duration of these schemes?	X				No such cases.

5. Living wages are paid

No	Question	NA	NC	PC	C	Remarks / Comments
1.	Wages and benefits paid for a standard work 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.				X	
2.	What are the local government regulations relating to wages and benefits? What is the legal minimum wage?					RMB1,320 per month.
3.	What is the factory's minimum wage?					Base on payrolls review and workers interview, the minimum wage in the factory is RMB1,400 per month which is higher than local legal standard.
4.	What bonus schemes exist?					RMB50 per month as full attendance bonus.
5.	How are the workers paid?					Cash monthly.
6.	Are the workers paid by any other means besides national currency?				X	No others.
7.	Are the workers provided with a clear wage statement?				X	
8.	Are workers paid by the hour or by piecework? Is there evidence that they can meet the legal minimum wage?				X	Workers' wage is paid by the hour. The minimum wage could meet local legal requirements; details please refer to #5.3.
9.	If there are any deductions from wages permitted by local law is this clearly stated on the wage slips and agreed by the worker?				X	
10.	Are workers compensated for overtime and how is this calculated?				X	Based on workers interview and documents review, workers were paid 150% of basic wage for overtime on weekday, 200% of basic wage for overtime on weekend and 300% of basic wage for overtime on legal holiday.
11.	How is the special overtime pay communicated to the workers?				X	It is communicated to the workers when they joined in the factory.
12.	What is the local legal requirement for special overtime pay?					150% of normal wage for overtime on weekday. 200% of normal wage for overtime on weekend. 300% of normal wage for overtime on legal holiday.



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13. All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the period concerned, each time that they are paid.				X	Labour contract was signed between employees and employer.
14. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express permission of the worker concerned.				X	There is no fine in the factory as verified via workers interview and documents review.
15. All disciplinary measures should be recorded.	X				Factory representative claimed that there was no disciplinary measure implemented till now.
16. Does local labour law provide for any annual holidays to workers?					Yes.
17. What is the factory's policy for leave or annual holiday?				X	5 days for workers working equal or above 1 year to 10 years; 10 days for workers working equal or above 10 years to 20 years; 15 days for workers working equal or above 20 years.
18. What sick leave benefit is provided by the factory?				X	Basic wage was provided as sick leave benefit.
19. What notice periods apply for termination of the workers' contracts?					1 month notice in advance.
20. How long does a woman need to be in employ to qualify for maternity leave?					No such definition.
21. What special rules apply for pregnant women in the factory?					Special protection policies were established for pregnant woman; At least 98 days of maternity leave with basic wage would be provided for pregnant women; Nursing breaks policy (total one hour per working day) was established for new mothers.
22. Is termination of services a result of becoming pregnant?				X	No such evidence.

6. Working hours are not excessive

No	Question	NA	NC	PC	C	Remarks / Comments
1.	Working hours comply with national laws and benchmark industry standards whichever affords greater protection.				X	Based on attendance records review, the maximum overtime per month was 36 hours.
2.	In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week .				X	Basic working hours were 40 hours per week in the factory.
3.	What is the local legal requirement relating to overtime?					Overtime should not be more than 36 hours per month, 3 hours per day.
4.	Does the factory have a written document detailing their overtime policy?				X	



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5.	How much overtime is performed on average by workers in the factory on a daily, weekly and monthly basis?					Based on attendance records review, workers' overtime was about 1 hour per day, 8 hours per week and 33 hours per month on average.
6.	If overtime exceeds the local legal standard, does the factory have a waiver document from a local authority?	X				No such waiver document from local authority.
7.	What is the normal working day or shift for the workers?					8:00~12:00 and 13:30~17:30
8.	How many breaks do the workers have during their working day?					90 minutes as lunch break for the workers.
9.	Workers shall be provided with at least one day off for every 7 day period on average.				X	Through attendance records review and workers interview, workers had at least 4 days off per month.
10.	Overtime shall be voluntary.				X	
11.	Overtime shall not exceed 12 hours per week . (48 hours/ month)				X	Based on attendance records review, the maximum overtime per month was 36 hours and maximum overtime per week was 8 hours.
12.	Overtime shall not be demanded on a regular basis.				X	
13.	Overtime shall always be compensated at a premium rate.				X	

7. No discrimination is practised

No	Question	NA	NC	PC	C	Remarks / Comments
1.	There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.				X	
2.	Is there a written Equal Opportunities policy?				X	
3.	What is the retirement age of the workers?					No such definition.
4.	Is there any evidence of discrimination between people of similar skills but different background?				X	
5.	Does the factory practice pregnancy testing prior to employment?				X	

8. Regular employment is provided

No	Question	NA	NC	PC	C	Remarks / Comments
1.	To every extent possible work performed must be on the basis of a recognised employment relationship established through national law and practice.				X	
2.	Are the workers given a clear, understandable contract with terms and conditions and their benefits outlined?				X	



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3. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed term contracts of employment.	X					No such workers.
4. Are minimum social insurance covered?					X	
5. Are apprenticeship schemes used? Describe their terms and conditions?	X					No such workers.
6. Are sub-contractors/ home workers used? Describe their terms and conditions?	X					No sub-contractors/home workers are used in the factory.

9. No harsh or inhumane treatment is allowed						
No	Question	NA	NC	PC	C	Remarks / Comments
1.	Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.				X	
2.	Do valid records and reasons justify recent company dismissals.				X	
3.	Is there any evidence of abuse by management?				X	
4.	Are workers allowed to speak during working hours?				X	
5.	Do workers have reasonable seating and have sufficient breaks while performing their work?				X	

B. QUALITY SYSTEMS SECTION (ISO 9001:2000)

10. Quality Systems						
No	Question	Grading				Remarks/ Comments
		NA	NC	PC	C	
1.	Is there a quality manual that includes scope of a QMS and references documented procedures and their interaction?				X	
2.	Are there documented procedures and do they cover all sections of the operations?				X	
3.	Is there evidence that these procedures implemented ?				X	



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4.	Describe the general flow of production from incoming material to packing.					1. Incoming material; 2. Cutting; 3. Sewing; 4. Packing.
5.	Is there a robust document control system in operation that includes approval, review, updating, change identification and obsolescence?				X	
6.	Is there evidence of management commitment to the quality system?				X	
7.	Are regular management reviews conducted and documented?				X	Management review was conducted once per year and management review report showed the latest one was conducted on 30 October 2014.
8.	Are there a quality policy and quality objectives ?				X	
9.	Are the Quality Objectives measurable and do records reflect this data?				X	
10.	Are there an organization chart and relevant job Descriptions ?			X		Organization chart was established but relevant job descriptions were not established.
11.	Is there a quality manager who reports directly to top management?				X	Ms. Xiao Wu Xian reports to Mr. Zhang Cong Ren (General Manager).
12.	Does the quality manager have sufficient authority to stop the production?				X	
13.	Is there an appropriate internal communication system regarding quality and processes?				X	Internal communication procedure was established.
14.	Is there a way of capturing customer feedback ?				X	
15.	Is training provided and do training records exist for all employees?				X	
16.	Is the general factory area clean, tidy and well lit?				X	
17.	Is there a system of regular internal quality audits ?				X	Internal quality audit was carried out once per year and the latest one was carried out on 15 October 2014.
18.	Is internal data assessed to initiate meaningful corrective actions ?				X	
19.	Are detailed product specifications or production instructions established for each product being manufactured?				X	
20.	Are incoming goods checked against purchase order and specifications?				X	
21.	Are passed materials clearly segregated and identified?				X	
22.	Is there a documented stock control system?				X	
23.	Are rejected materials clearly identified?				X	Rejected materials storage area was designated but no rejected materials were found during this audit.
24.	Are subcontractor's and suppliers audited and records kept?			X		All 9 suppliers were audited but only the records for 7 out of 9 suppliers were kept.
25.	Is there a documented calibration system for equipment?				X	
26.	Are clear work instructions visible to all stations?				X	
27.	Is an approval sample visible to all stations?				X	




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28.	Are in-process inspections carried out during the course of the production process?				X	
29.	Do QC people report to the quality manager directly?				X	
30.	Are QC people present on each production line?				X	
31.	Are they fully independent of production staff?				X	
32.	Are inspections carried out on completed production batches using an AQL sampling plan?				X	MIL-STD-105E General Inspection Level II AQL: CRI(0); MAJ(1.5); MIN(2.5)
33.	Are inspection records and reports maintained?				X	
34.	Are corrective action plans implemented based on these reports?				X	
35.	Are defective products correctly labeled and segregated from acceptable products?				X	
36.	Is there a broken needle control procedure in place (where relevant)?				X	
37.	Is there a glass breakage and/ foreign body control policy in place (where relevant)?	X				Not applicable.
38.	Is there a tools control policy (where relevant)?				X	
39.	Is metal detection applied to relevant products before or after packing (eg: food, cosmetic and baby items)?				X	
40.	Are records kept of the metal detection results?				X	
41.	Is there a final QC inspection on packed goods using an AQL sampling plan?				X	MIL-STD-105E General Inspection Level II AQL: CRI(0); MAJ(1.5); MIN(2.5)
42.	Are each customer's products clearly segregated and marked once packing is complete?				X	

11. Environment						
No	Question	NA	NC	PC	C	Remarks / Comments
1.	All waste that is created in the factory is disposed of in line with local laws, or in a way that will not harm the environment or the local population?				X	
2.	Is there any evidence that the factory is polluting the waterways or areas around it?				X	
3.	Is there a written environmental policy?				X	
4.	Is there evidence that it is being applied?		X			No relevant environmental aims were established base on the environmental policy as supporting.
5.	Is responsibility for environmental compliance assigned to a senior manager? What is that manager's name and who does he/she report to?				X	Mr. Zhang Hua Wei (Admin Supervisor) reports to Mr. Zhang Cong Ren (General Manager).

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NA = Not Applicable, NC = Not compliant, PC = Partially Compliant, C = Compliant

Methodology of Audit

This audit provides a summary of the findings and other applicable information gathered during the audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The Audit process requires that information be gathered and considered from documentary review, worker interviews, management interviews and visual observation. More information is gathered during the audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited facility 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 law and where the provisions of the law and this Code address the same subject, to apply that provision which affords greater protection.



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AVAILABLE DOCUMENTS LIST

(Detach during opening meeting. Factory to provide 1 copy of each document for verification unless otherwise noted)

No	Document	Yes	No	N/A	Remarks / Comments
1.	Legal Registration document	X			
2.	Local Labour Law	X			
3.	Customer's Code of Conduct Document		X		
4.	Employment Contracts (5 copies)	X			
5.	Personnel Files (5 copies)	X			
6.	Training Records (5 copies)	X			
7.	Time Cards (20 copies)	X			
8.	Days-Off/ Leave Records (5 copies)	X			
9.	Pay-Slips (5 copies)	X			
10.	Record of ID cards showing Proof of Age	X			
11.	Organisation Chart	X			
12.	Factory Lay-out plan	X			
13.	Accident Record	X			
14.	Fire Extinguisher Maintenance record	X			
15.	Health & Safety Certificates	X			
16.	Risk Assessment/ Internal Audit Records	X			
17.	Environmental Policy	X			
18.	Local Environmental Law	X			
19.	Stock Control Records	X			
20.	Sub-contractor Audit Reports		X		Supplier audit reports were insufficient.
21.	Sample Checking Records	X			
22.	Inspection Records	X			
23.	Corrective Action Plans	X			
24.	Hygiene Policy			X	
25.	Jewellery Policy			X	
26.	Tools Control Policy	X			
27.	Quality Manual	X			
28.	Procedure Manual	X			
29.	ISO 9000 Certificate (if available)			X	
30.	Production Line work instructions	X			
31.	Material Safety Data Sheets (MSDS)	X			
32.	Equipment calibration/ maintenance record	X			
33.	Equipment and machinery list	X			
34.	Security Breach procedure			X	
35.	Security Guard Contract	X			



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Digital Images



Image 1: Factory overview.



Image 2: The quarantine area for incoming materials warehouse.



Image 3: Rejected incoming materials storage area.



Image 4: Incoming materials warehouse.



Image 5: Cutting workshop.



Image 6: Sewing workshop.

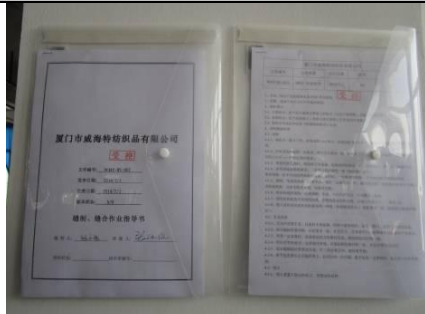


Image 7: Work instructions were visible to all work stations.



Image 8: Approved samples were visible to all work stations.



Image 9: Inspection area.



Image 10: The defective products were clearly segregated and identified.



Image 11: Packing workshop.



Image 12: Finished products warehouse.



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Image 13: Emergency lights and exit signs were installed near or above all fire exits.



Image 14: Fire alarms and fire fighting equipments were fully installed.



Image 15: Monthly inspection records for fire extinguishers.

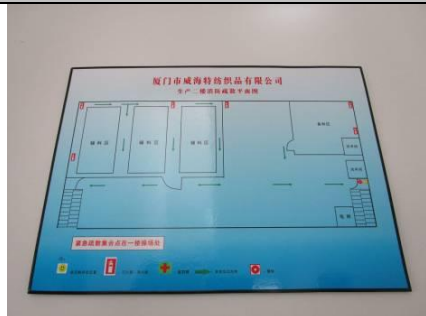


Image 16: Posted fire evacuation plan.



Image 17: Posted "No Smoking" sign.



Image 18: First aid boxes were available on each floor of factory buildings.



Image 19: First aid boxes were fully stocked.



Image 20: First aiders' names & photos & mobile phone numbers were posted on the first aid boxes.



Image 21: Needle guards were installed on all sewing machines.



Image 22: Eye shields were installed on all stitching machines.



Image 23: Potable water.



Image 24: Clean toilet.



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Image 25: Secondary containers were provided to all chemicals to prevent from leakage.



Image 26: Relevant Material Safety Data Sheets (MSDS) and warning signs were available near the chemical storage and usage areas.



Image 27: Eye washer.



Image 28: Warning signs for PPE wearing.



Image 29: Suggestion box.



Image 30: The viewer's location was marked wrongly in one fire evacuation plan posted on the 1st floor of production building.