



Supplier Workplace Accountability (SWA) Assessment

Facility Information	Assessment Information
Facility: YIWU YAXING WEAVING MILL CO.,LTD Address: XUFENG INDUSTRIAL AREA, SUXI ROAD YIWU, 322000 China (中国) Company ID: CPMY-086470 Primary Contact: Min Leng Phone Number: 86-13375185872 Email: postmaster@moda-up-textile.com	Report No.: 2016-03-A05915 Assessment Type: Comprehensive Audit Start Date: 09-May-2016 Audit End Date: 10-May-2016 Report Issue Date: 19-May-2016 Monitoring Firm: Intertek Auditor(s): Jeff Tan

Amber

Number of Non-Compliance

14

	Red	Amber	Yellow	Green*	Total # of Non-Compliance
 Start Time, Man Day 1: 08:10  End Time, Man Day 1: 17:00  Start Time, Man Day 2: 9:00  End Time, Man Day 2: 17:00					
Business Integrity					
Human Rights		3			3
Workplace Environment		5	1		6
Management Systems			4		4
Environmental Management			1		1
Current Audit		8	6		14

*verified as corrected in re-audit

NEXT STEPS: Upon receipt of this SWA Assessment, the facility will develop and implement a **Corrective and Preventative Action (CAPA)** plan for any identified areas of non-compliance or concerns. The **CAPA** will include immediate corrective actions taken, a root cause analysis, steps to avoid recurrence, identified responsible parties, and target dates each step will be completed. CAPA will be verified during the next onsite assessment.

PLEASE NOTE: In some instances, this SWA Assessment, or any portion thereof, may be translated into a local language for reference purposes only. If so translated, the English version shall be considered the official version for any required actions. In the event of a conflict or inconsistency between a translated version and the English version, the English version will control. This Audit Report may be shared with McDonald's Corporation, its subsidiaries and affiliates, subsequent monitoring firms/auditors performing audits of the facility, and the supplier that owns or manages the facility an/or is ultimately responsible for the products or services being provided to the McDonald's System by the facility.

The Scope of the Supplier Workplace Accountability (SWA) Comprehensive Assessment includes the following elements:

<p>Human Rights</p> <ul style="list-style-type: none"> • Employment Status • Migrant Labor • Recruitment Firms • Home Workers • Involuntary Labor • Prison Labor • Freedom of Association • Non-Discrimination • Employee Discipline • Harassment and Abuse • Underage Labor/Young Workers • Compensation and Benefits • Working Hours and Rest Days 	<p>Workplace Environment</p> <ul style="list-style-type: none"> • Health and Safety Training • Fire Safety Equipment and Training • Safe Working Conditions • Safe Work Practices • Building Integrity • Emergency Preparedness • Personal Protective Equipment • Machine Safety • Medical Care • Chemical and Hazardous Materials Safety • Restrooms/Toilet Facilities • Facility Provided Housing/Dormitory • Canteen/Cafeteria Services
<p>Environmental Management</p> <ul style="list-style-type: none"> • Energy Use and Greenhouse Gas Management • Water Management • Wastewater and Effluents Management • Waste Management • Air Emissions Waste • Hazardous Substance Management • Soil/GroundWater Pollution Prevention 	<p>Business Integrity</p> <ul style="list-style-type: none"> • Compliance with and Knowledge of Local and National Laws • Bribery, Corruption, Extortion and Embezzlement • Documentation and Recordkeeping <p>Management Systems</p> <ul style="list-style-type: none"> • Management Accountability and Responsibility • Policies, Procedures, Communication and Training • Monitoring and Governance • International Verification • Grievance Mechanism

Supplier Workplace Accountability Assessment

Rating Type	Action Required based on Rating Type per Each Non-Compliance (NC)
Yellow	Corrective and Preventative Action Plan Required (CAPA) to be submitted
Amber	Prompt Attention Required, Corrective and Preventative Action Plan (CAPA) to be submitted
Red	Immediate Action Required, Corrective and Preventative Action Plan (CAPA) to be submitted

Non-Compliance Details

Human Rights - Employment and Recruitment:

A

Findings:

No contractual requirement on its suppliers for compliance with labor laws and regulations.

The facility did not place a contractual requirement on its suppliers to be in compliance with labor laws and regulations.

没有契约来保证其供应商行为符合劳动法和法规。

企业没有与其供应商签订一个契约来保证其行为符合劳动法和法规。

Law or Customer Expectation:

Customer Expectation: The facility places a contractual requirement on its Employment Agencies, Labor Brokers Suppliers, Subcontractors and/or Home Workers to be in compliance with labor laws and/or regulations.

客户期望：企业与其劳务派遣机构，劳务代理机构，供应商，家庭工签订一个契约来保证其行为符合劳动法和法规要求。

A

Findings:

Insufficient social insurance participated.

Through document review, there were 18 out of 152 employees had participated in basic endowment insurance, basic medical insurance, unemployment insurance, and 152 out of 152 employees had participated in employment injury insurance and maternity insurance.

社会保险参保不足。

通过文件审核，发现企业的152名员工中，有18人参加养老保险，医疗保险、失业保险、152人参加了工伤保险和生育保险。

Law or Customer Expectation:

Law: 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.

法律：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。

Human Rights - Working Hours:

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Findings:

Monthly overtime hours exceeded the legal requirement.

- 1) In March 2016 (Current month), the monthly overtime hours of 13 (thirteen) out of 13 (thirteen) randomly selected employees ranged from 59-78 hours;
- 2) In September 2015 (random month), the monthly overtime hours of 6 (six) out of 6 (six) randomly selected employees ranged from 47-64 hours;
- 3) In June 2015 (random month), the monthly overtime hours of 6 (six) out of 6 (six) randomly selected employees ranged from 48-66 hours.

月加班时间超过法规要求。

- 1) 在2016年3月(当前月), 随机抽取的13名中13人的月加班时间为59-78小时;
- 2) 在2015年9月(随机月), 随机抽取的6名中6人的月加班时间为47-64小时;
- 3) 在2015年6月(随机月), 随机抽取的6名中6人的月加班时间为48-66小时。

Law or Customer Expectation:

Law: 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.

法律:《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。

Workplace Environment - Canteen:

A

Findings:

The facility did not obtain the catering service license for its kitchen.

During facility tour, auditor found that one kitchen and canteen was located at 1F of one 6-storey building. But the facility did not obtain the catering service license.

企业的食堂没有取得餐饮服务许可证。在现场巡查时, 审核员发现企业一栋6层建筑的1层用作餐厅和厨房, 但企业没有取得餐饮服务许可证。

Law or Customer Expectation:

Law: The Administrative Measures on Food Operation Permission Article 4, Food operation permission shall follow the principle of one permit for one site. Namely, one Food Operation Permit shall be obtained prior to the food operator engages in food business operations in a particular site.

法律:《食品经营许可证管理办法》第4条, 食品经营许可实行一地一证原则, 即食品经营者在一个经营场所从事食品经营活动, 应当取得一个食品经营许可证。

Workplace Environment - Occupational Injury:

Findings:

No occupational health examination was provided to employees engaged in post with occupational disease hazards. During facility tour, auditor found that there were about 24 employees working in weaving workshop with cotton dust existed. However, no periodic occupational health examination reports which required by law for all 24 employees who engaged in stuffing workshop were provided for review.

审核员发现企业没有为从事职业性危害作业的员工提供职业病体检。

在现场巡查时，审核员发现在织造车间有24名员工接触棉尘。但是，企业未能提供该24名员工按法规要求的定期职业健康检查报告供审核员审阅。

Law or Customer Expectation:

Law: The PRC Law of Prevention and Control of Occupational Diseases article 36, the employer shall conduct regular occupational health examination for those laborers who are engaged in using or contacting noxious articles in their working process as required by medical administrative department under the State Council. The occupational health examination should be conducted before laborers start to take work post, in the course of the work post and after leave the work post and employer should inform the laborers of the result of the occupational health examinations. The expense of the occupational health examination should be borne by employers. Employer should not arrange laborers without the occupational health examination to be engaged in the work with using or contacting noxious articles, or laborers with any occupational prohibitions to be engaged in the prohibited work from them. Once the occupational health examination indicates that employee is suffering from the occupational disease in relation to his or her occupation, the employer shall transfer such a laborer out of his or her original work post, and allocate him or her in a proper way. Employer should not rescind or terminate the contracts signed with those employees without the occupational health examination at time of leaving the work post.

法律：《中华人民共和国职业病防治法》第三十六条，对从事接触职业病危害的作业的劳动者，用人单位应当按照国务院卫生行政部门的规定组织上岗前、在岗期间和离岗时的职业健康检查，并将检查结果如实告知劳动者。职业健康检查费用由用人单位承担。用人单位不得安排未经上岗前职业健康检查的劳动者从事接触职业病危害的作业；不得安排有职业禁忌的劳动者从事其所禁忌的作业；对在职业健康检查中发现有与所从事的职业相关的健康损害的劳动者，应当调离原工作岗位，并妥善安置；对未进行离岗前职业健康检查的劳动者不得解除或者终止与其订立的劳动合同。

Findings:

The facility did not conduct evaluation on occupational hazard factors such as dust.

During facility tour, auditor found that hazardous factor dust existed in weaving workshop. However, the facility has not conducted the dust test ever and could not provide evaluation report of occupational hazardous factors dust in every year for review.

企业没有按要求进行职业危害因素粉尘检测。

在现场巡查时，审核员发现在织造车间存在粉尘职业危害因素。但是，企业没有在该作业场所每年一次的职业危害因素粉尘检测并未能提供报告供审阅。

Law or Customer Expectation:

Law: Provisions on the Supervision and Administration of Workplace Occupational Health Article 20, An employing entity with occupational hazards shall entrust an occupational health technical service agency with corresponding qualification to conduct evaluation on occupational hazard factors at least once every year. An employing entity with severe occupational hazards shall, in addition to the above requirement, entrusts an occupational health technical service agency with corresponding qualification to conduct assessment on occupational hazard status at least once every three years. The results of the evaluation and assessment shall be kept in archive, reported to local administration department of work safety, and announced to the workers.

法律：《工作场所职业卫生监督管理规定》第二十条，存在职业病危害的用人单位，应当委托具有相应资质的职业卫生技术服务机构，每年至少进行一次职业病危害因素检测。职业病危害严重的用人单位，除遵守前款规定外，应当委托具有相应资质的职业卫生技术服务机构，每三年至少进行一次职业病危害现状评价。检测、评价结果应当存入本单位职业卫生档案，并向安全生产监督管理部门报告和劳动者公布。

A

Findings:

The facility didn't implement a mechanism/program to identify, evaluate and control worker exposure to physically demanding work (such as manual handling, heavy lifting, highly repetitive tasks, and other physically demanding jobs) to prevent work-related injuries.

企业没有实施一个机制或程序来识别，评估和控制体力劳动（如手动操作、重型起重、高度重复的任务和其他体力劳动，人体工程学），以防止工伤。

Law or Customer Expectation:

Customer Expectation: The facility implemented a mechanism/program to identify, evaluate and control worker exposure to physically demanding work (such as manual handling, heavy lifting, highly repetitive tasks, and other physically demanding jobs) to prevent work-related injuries.

客户预期：企业应建立一个系统去识别，评估和控制员工体力劳动（例如手工作业，重物提升，高重复性工作和其他体力劳动）的风险以预防工伤。

Workplace Environment - Safety Hazards:

A

Findings:

No allowable floor loading weights determined, posted or communicated with the employees. Through facility tour, employee and management interview, the facility did not determine, post or communicate the allowable floor loading weights for above ground floors in one 6-storey building used for dormitory, office, canteen and kitchen, one 5-storey used for workshop and warehouse.

未识别、张贴或与员工沟通楼层承重量。通过现场走访，员工和管理层访谈，企业没有决定、张贴或与员工沟通一栋6层用做餐厅，厨房，办公室和宿舍建筑，一栋5层用做车间和仓库建筑的相关楼层的承重。

Law or Customer Expectation:

Customer Expectation: Allowable floor loading weights for above ground floors (including elevator/lift weights) been determined, posted and communicated to the relevant workers.

客户期望：一楼以上的楼层的承重需要被确定并且张贴并且与员工进行沟通。

Environmental Management - Environmental Management System:

Y

Findings:

The facility didn't establish Environmental Management System and no communication and training for employees. 企业未建立环境管理体系，并且未与员工进行了沟通和培训。

Law or Customer Expectation:

Customer Expectation: Facility have an Environmental Management System (EMS) that includes each of the following elements:

- Written Policies & Procedures
- Communication & Training (understood by workers)
- Monitoring & Governance (internal verification)

客户期望：供应商、企业和分包商在其供应链必须符合所有适用的国家和地方环保法律法规，内容包括产品需求，限制或者禁止某些物质。设施应实施环境管理系统，包括定义环境管理责任和控制来确保遵从性和开发一个理解和认识的重大环境影响，与特定的意识活动设施水平。应该制订一个环境政策，包括承诺完全遵守适用的环境法律、法规以及环境保护。

Y

Findings:

Insufficient monitoring and governance for Supply Chain Management System.

The facility had established supply chain management policy and procedure, and communicated with employees, but the monitoring and governance on supply chain management was insufficient, for example, no contractual requirement on its suppliers for compliance with labor laws and regulations.

对供应链管理系统不充分的监督和管理。

企业已经建立了供应链管理相关的政策和程序，并且将之与员工进行了沟通。但是对供应链管理系统监督和管理是不充分的。如没有契约来保证其供应商行为符合劳动法律和法规。

Law or Customer Expectation:

Customer Expectation: Facility has an effective Supply Chain Management System (Suppliers, Employment Agencies, Subcontractors and/or Home Workers are managed based on performance/ commitment towards social compliance including sharing of the facility's own Social Compliance Policy and the Customer's Code of Conduct) that includes each of the following elements:

- Written Policies & Procedures
- Communication & Training (understood by workers)
- Monitoring & Governance (internal verification)

客户期望：企业应建立书面的政策和程序去监控和评估其分包商，劳务派遣机构是否合规。

Y

Findings:

Insufficient monitoring and governance for Working Hour Control Management System.

The facility had established working hour policy and procedure, and communicated with employees, but the monitoring and governance on working hours was insufficient, for example, monthly overtime hours exceeded the legal requirement.

对工时管理系统不充分的监督和管理。

企业已经建立了工时的政策和程序，并且将之与员工进行了沟通。但是对工作时间的监督和管理是不充分的。如月加班时间超出法规规定。

Law or Customer Expectation:

Customer Expectation: Facility has an effective Working Hour Control Management System (to determine, monitor, control overtime hours) that includes ALL of the following elements.

- Written Policies & Procedures
- Communication & Training (understood by workers)
- Monitoring & Governance (internal verification)

客户期望：企业建立一个有效的工时控制系统去识别，监控，控制加班时间。这个系统应包括：书面的政策和程序，与员工的沟通和培训，监控和管理（包括内部审核）。

Y

Findings:

Insufficient monitoring and governance for Benefits Management System.

The facility had established the written Compensation and Benefits Policies and Procedures, and communicated with employees. And the internal audit was conducted regularly. But the monitoring and governance on benefits was insufficient, for example, the facility did not provide the social insurances for all employees.

对福利管理系统监督和管理不充分。

企业已经建立了工资福利的政策和程序，并且将之与员工进行了沟通，也定期进行了内审。但是对福利的监督和管理是不充分的。如企业没有为所有员工提供社会保险。

Law or Customer Expectation:

Customer Expectation: Facility has an effective Compensation and Benefits Management System that includes ALL of the following elements.

- Written Policies & Procedures
- Communication & Training (understood by workers)
- Monitoring & Governance (internal verification)

客户期望：企业建立一个有效的福利待遇管理系统系统。这个系统应包括：书面的政策和程序，与员工的沟通和培训，监控和管理（包括内部审核）。

Y

Findings:

Insufficient monitoring and governance for Health and Safety Management System.

The facility had established the Written Health and Safety Policies and Procedures, and communicated with employees. But the facility did not have effective Monitor on its daily operation, for example, the facility did not conduct evaluation on occupational hazard factors, etc.

对健康安全管理系统监督和管理不充分。

企业已经建立了健康安全的书面政策和程序，并与员工进行了交流。但是没有有效的监督其日常操作，如企业没有按要求进行职业危害因素检测等。

Law or Customer Expectation:

Customer Expectation: Facility has an effective Health and Safety Management System (including General Workplace) that includes ALL of the following elements

- Written Policies & Procedures
- Communication & Training (understood by workers)
- Monitoring & Governance (internal verification)

客户期望：企业应建立有效的健康安全管理系统包括以下因素：政策程序，交流培训，内部审核。

Y

Findings:

The facility did not conduct evaluation on noise level.

During facility tour, auditor found that high noise level existed in weaving workshop. However, the facility has not test the noise level ever and could not provide evaluation report of occupational hazardous factor noise level in every year for review.

企业没有按要求进行职业危害因素噪声检测。

在现场巡查时，审核员发现在织造车间存在噪音职业危害因素。但是，企业没有做过作业场所每年一次的噪声职业危害因素检测并未能提供该检测报告供审阅。

Law or Customer Expectation:

Law: PRC Law of Prevention and Control of Occupational Diseases Article 27, the employer shall assign special persons to carry out daylitoday monitoring of the factors of occupational disease hazards and make sure that the monitoring system is kept in normal working conditions. The employer shall, in accordance with the regulations of the public health administration department under the State Council, have the factors of occupational disease hazards monitored and assessed regularly at workplace. The results of monitoring and assessment shall be kept in files of occupational health regularly, reported to the local public health administration department and announced to the employees. The factors of occupational disease hazards shall be monitored and assessed by the occupational health technical service institutions set up in accordance with the law and authenticated as qualified by the public health administration departments of the people's governments at or above the provincial level. The monitoring and assessment made by such institution shall be objective and truthful. In case that the factors of occupational disease hazards at workplace do not conform to the national requirements on occupational health, the employer shall immediately adopt appropriated measures to keep them under control. If they still cannot meet the standards or requirements, the operation where such factors exist, shall be stopped. It can be resumed only after the factors are kept under control and meet the standards and requirements.

法律：中华人民共和国职业病防治法第二十七条，用人单位应当实施由专人负责的职业病危害因素日常监测，并确保监测系统处于正常运行状态。用人单位应当按照国务院卫生行政部门的规定，定期对工作场所进行职业病危害因素检测、评价。检测、评价结果存入用人单位职业卫生档案，定期向所在地卫生行政部门报告并向劳动者公布。职业病危害因素检测、评价由依法设立的取得省级以上人民政府卫生行政部门资质认证的职业卫生技术服务机构进行。职业卫生技术服务机构所作检测、评价应当客观、真实。发现工作场所职业病危害因素不符合国家职业卫生标准和卫生要求时，用人单位应当立即采取相应治理措施，仍然达不到国家职业卫生标准和卫生要求的，必须停止存在职业病危害因素的作业；职业病危害因素经治理后，符合国家职业卫生标准和卫生要求的，方可重新作业。