Costco GMP Integrated Textile Factory Assessment

Version No.: 14 7-Apr-23

Audit Details

Costco Audit Request #	202312-NFGMP-28065		
Audit Type	**Initial Audit**		
Audit Report #	10233601196	Auditor Name	Tonny Tang
Audit Start Date	Jan. 11, 2024	Number of Mandays	2
Follow-up Audit 1	**Not Applicable**		
Factory Name	**Nangong Rolking Felt Co., Ltd.**		
Address	Fanjiazhai North, Chuiyang Town, Nangong City		
City	Xingtai	State/Province	Hebei
Country	China		
Postcode	055750		
Telephone #	86-13426424820		
E-mail	max@rolkingfelt.com		
Supplier Name	Neatfreak Group (Oakville)		

Key Personnel

Name	Job Title	E-mail ID
Ken Zhang	General Manager	ken@rolkingfelt.com
Ms. Liu Jie	Quality Manager	info@rolkingfelt.com
Mr. Wu Junyu	Production Manager	wujunyu@rolkingfelt.com
Nancy Liu	Technical Manager	nancy@rolkingfelt.com
Mr. Liu Guodong	Admin Manager	info@rolkingfelt.com

Note: provide up to 5 key personnel only

Sub-contractor Information

Processes	Factory Name	Factory Address
Laser carving	*Hebei Qingfeng Felt Co., Ltd.*	*Fanjiazhai Village, Chuiyang Town, Nangong City, Xingtai City, Hebei Province*

Company Profile

Factory established in year:	2010
Main manufacturing processes:	Polyester fiber opening / loosing, Fiber mixing, Carding, Weaving, Felt fabric cutting, Hot press forming, Drying, Edge die cutting, Finishing and Packing
Product category	Felt storage box, felt fabric
Factory area / dimensions	16,400 square meters
Number of Buildings	9 buildings
Total number of employees	118
Monthly Production capacity	Felt storage box: 300,000 sets per month; Felt fabric: 8,000 tons per month
International certification	ISO 9001: 2015; ISO 14001: 2015
Peak season	Not obvious
Major market	USA, EU, Domestic (50%)
Major customer	Boucheron, MA, RUSHER, MH, etc.

Remarks (if any):
* The factory had 2 production sites. Felt fabric cutting, Hot press forming and Edge die cutting processes were operated at another site, which was about 500 meters from the submitted address.
* 1 auditor - Tonny Tang
* 2 Mandays
* 13 hours spent on site

AUDIT RESULT SUMMARY

Nangong Rolking Felt Co., Ltd.

Initial Audit			
Report #	10233601196	Audit Date	Jan. 11, 2024
Auditor Name	Tonny Tang	Number of Mandays	2
	Section Name	**Section Score**	**Section Rating**
Section 1	Management Commitment & Continual Improvement	83%	Yellow
Section 2	Risk Management	89%	Orange
Section 3	Quality Management System	88%	Orange
Section 4	Site and Facility Management	90%	Orange
Section 5	Product Control	95%	Yellow
Section 6	Product Testing	88%	Yellow
Section 7	Process Control	98%	Orange
Section 8	Personnel Training	88%	Yellow
		Overall Score	**Overall Rating**
		91.49%	**Orange**

Nangong Rolking Felt Co., Ltd.

Factory Name	Audit Date	Report #
Nangong Rolking Felt Co., Ltd.	Jan. 11, 2024	10233601196

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
1	**Management Commitment & Continual Improvement**		
1.1	**Does factory establish a quality policy stating the factory's intentions to meet its obligations to manufacture quality, safe and legal products, and its responsibility to the customer?**	Full Compliance	
1.2	**Is the policy communicated throughout the factory, and regularly reviewed?**	Deviation	Quality policy was established in clause 2.1 of quality manual (LK-QM-2022), and training records were maintained on quality policy, but during this factory tour, the quality policy was not posted anywhere for communication to workers.
1.3	**Did management develop and implement a management system to achieve their goals for product quality, safety and customer requirements?**	Full Compliance	
1.4	**Does factory review effectiveness of management systems (e.g. QMS) at defined intervals (minimum once per year)?**	Full Compliance	

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
1.5	**Are there documentary evidence that demonstrate management commitment to improve any significant area of findings identified during an audit?**	Full Compliance	
1.6	**Does factory track its key performance indicators (KPI) for on-time delivery, outgoing quality, complaint rate, etc.?**	Deviation	The KPIs (on-time delivery rate: 98%, customer satisfaction: 90%, final inspection pass rate: 95%, training completion rate: 100%, etc.) were set up, deployed to each department, and relevant KPI monthly / yearly monitoring records were maintained; however, the KPI did not cover customer complaint rate and out going quality.
2	**Risk Management System**		
2.1	**Legislative and Safety Requirements**		
2.1.1	**Is the factory aware of relevant legislation, mandatory standards and industry/customer codes of practice applicable to the product in the countries of intended sale, and having a process in place for ensuring it is kept informed of changes to the relevant information?**	Full Compliance	
2.1.2	**Does the factory have a means of validating information impacting product safety, quality and legality, where such information is provided by the customer or related party?**	Full Compliance	
2.2	**Risk Assessment**		
2.2.1	**Does the factory establish a Product Risk Assessment for each product or a group of similar products, e.g., FMEA?**	Not Applicable	Factory without initial design & development function.

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2.2.2	Where manufacturing sites have no responsibility for product design, is the factory provided with a validated copy of the product risk assessment?	Full Compliance	
2.2.3	Does the product risk assessment address the following aspects which have an effect on product safety and legality?		
2.2.3.1	User types (e.g., new born, young children, vulnerable people i.e., elderly, disabilities)	Full Compliance	
2.2.3.2	Product use (e.g., behavior, durability, user awareness, information and advice)	Full Compliance	
2.2.4	Does the product risk assessment determine the following?		
2.2.4.1	Possible Hazard/Risk Identification (e.g. Chemical, Physical, Regulatory)	Full Compliance	
2.2.4.2	Risk level for each identified hazard/risk (e.g. Severe, High, Moderate, Slight)	Full Compliance	
2.2.4.3	Whether the risk is acceptable considering the probability or likelihood and the severity and potential consequences of the effects on consumer safety (e.g., Not Acceptable, Review & Improve, Acceptable)	Full Compliance	

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2.2.5	**Does the factory conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?**	Deviation	PFMEA was conducted for risk assessment to identify the hazards potentially introduced during production, packaging and storage processes, but according to interview with quality manager and comments of 2.2.6 and 2.2.7, the PFMEA was incomplete, and Deviation was given for this checkpoint.
2.2.6	**Does the process risk assessment take the following into account?**		
2.2.6.1	**Manufacturing parameters such as pressure, time, temperature**	Full Compliance	
2.2.6.2	**Conditions of equipment, molds, dies, machinery**	Deviation	According to the last PFMEA list on Aug. 11, 2023, conditions of equipment / machinery were considered, but the factory did not take the condition of hot press forming molds into account.
2.2.6.3	**Chemicals / materials used for equipment (e.g. lubricating oils and paints)**	Non Conformity	According to the last PFMEA list on Aug. 11, 2023, the factory did not take the chemicals / materials used for equipment, such as lubricant, into account.
2.2.6.4	**Calibration of equipment**	Full Compliance	
2.2.6.5	**Policies on foreign body contamination (e.g. needles, metal, glass and brittle plastics)**	Full Compliance	
2.2.6.6	**Policies on microbiological contamination (e.g. hygiene of toilet & canteen, pest control)**	Full Compliance	

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2.2.6.7	**Personal protective equipment (including specific clothing and footwear)**	Full Compliance	
2.2.7	**Does the process risk assessment identify the following?**		
2.2.7.1	**A list of potential risk or hazards in the production process**	Deviation	According to the last PFMEA list on Aug. 11, 2023, potential risks were identified from majority production processes, but were not identified from the fiber loosing and mixing processes.
2.2.7.2	**Control points to manage the identified risk to acceptable level**	Full Compliance	
2.2.7.3	**Accept / reject limits defined for each control point**	Full Compliance	
2.2.7.4	**Corrective action to be taken where a CCP is out of control**	Full Compliance	
2.2.7.5	**Responsibility of Control Points**	Full Compliance	
2.2.7.6	**Records of monitoring & reviews**	Full Compliance	
2.3	**Verification of Risk Assessment**		
2.3.1	**Is the verification of risk assessment carried out prior to production?**	Full Compliance	
2.3.2	**Is the risk assessment carried out by competent personnel (internal or external)?**	Full Compliance	
2.3.3	**Is the risk assessment regularly reviewed, at least annually or when changes made to product design and materials and/or key manufacturing processes?**	Full Compliance	

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2.3.4	**Does the factory implement risk management systems based on a systematic risk assessment system to assure product safety legality and quality?**	Deviation	Written risk management & CCP control procedure (LK/CX34-2022) was established, product risk assessment and PFMEA were conducted for Risk Assessment, most potential hazards were identified and controlled, but according to interview with quality manager and comments of 2.2.5, the PFMEA was incomplete and Deviation was given for this checkpoint.
3	**MANAGEMENT SYSTEM**		
3.1	**Documented Quality System**		
3.1.1	**Does factory have a documented quality system approved by top management, outlining the criteria and methods used to meet system requirements?**	Full Compliance	
3.1.2	**Does the quality system include detailed procedures, instructions, and reference documents covering all manufacturing processes?**	Full Compliance	
3.2	**Organizational Structure, Responsibility and Authority**		
3.2.1	**Does factory define and communicate the levels of responsibility and accountability for staff involved with product safety, legality, and quality?**	Full Compliance	
3.2.2	**Are there appropriate arrangements in place, to cover for the absence of key staff?**	Non Conformity	As per interview with admin manager, the factory did not have appropriate arrangements to cover for the absence of key staff, such as QC personnel.
3.3	**Customer Focus**		

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3.3.1	**Is there a process in place to communicate customer's needs and expectations to all relevant employees?**	Full Compliance	
3.3.2	**Are performance indicators relating to customer satisfaction established?**	Full Compliance	
3.3.3	**Does factory establish a procedure or policy to safeguard customer property including software and intellectual property?**	Full Compliance	
3.4	**Specifications**		
3.4.1	**Do specifications or codes of practice exist for raw materials (including packaging), intermediate/semi processed products (where appropriate), and finished products?**	Full Compliance	
3.4.2	**Are specifications adequate, accurate, and ensure compliance with relevant safety, legislative and customer requirements?**	Full Compliance	
3.4.3	**Any changes in product specifications are formally agreed with customers and then communicated to relevant departments?**	Non Conformity	The factory established a written engineering changes control procedure (LK/CX28-2022), but during this audit, the factory did not keep any ECN records for review.

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3.5	**Purchasing, Supplier and Sub-Contractor Approval and Performance Monitoring**		
3.5.1	**Are there procedures for approval and an on-going monitoring program for sub-contractors and suppliers of all raw materials, packaging, and utilities? Does factory use the results of the approval process to determine acceptable/non acceptable sources?**	Deviation	Written purchase control procedure (LK/CX03-2022) and supplier assessment control procedure (LK/CX17-2022) were established to define the supplier approval and on-going performance monitoring programs. Approved supplier list, supplier approval and on-going performance monitoring records were maintained, but no approval record was maintained for the laser carving subcontractor (Hebei Qingfeng Felt Co., Ltd.).
3.5.2	**Do these procedures include clear criteria for assessment as well as standards of performance required? (Assessment may take the form of monitoring performance through in-house checks, certificates of analysis or extend to supplier or sub-contractor inspection, as appropriate. Assessment may include evaluation of systems, product safety information and legislative requirements.)**	Full Compliance	
3.5.3	**Does factory provide material specifications and compliance requirements to raw-material, trims and packaging materials suppliers when placing orders?**	Full Compliance	
3.6	**Identification & Traceability**		
3.6.1	**Is there a lot identification and traceability system for all raw materials (including packaging), work in progress and finished products?**	Full Compliance	
3.6.2	**Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?**	Deviation	During this factory tour, about 50% incoming recycled polyester fiber was not labeled in main raw materials warehouse, identification of other incoming materials, semi-finished and finished products were adequate to ensure traceability.

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3.6.3	**Can factory identify, trace, and locate 100% of finished product lots/batches from raw material (based on random sampling)?**	Full Compliance	
3.6.4	**Can factory identify, trace, and locate 100% of raw materials used in customer products (based on random sampling)?**	Full Compliance	
3.6.5	**Is the system regularly tested to ensure traceability can be determined from raw material source to finished product and vice-versa?**	Full Compliance	
3.7	**Incident Management and Product Recall**		
3.7.1	**Does factory have an incident management procedure for incidents or emergencies that impact product quality, safety or legality?**	Full Compliance	
3.7.2	**Is there a procedure to ensure that customers are notified immediately of any issue which has potentially resulted in an illegal or unsafe product being delivered or already delivered to the customer?**	Full Compliance	
3.7.3	**Is there an effective, documented Product Recall procedure in place? Is the procedure appropriate, formalized and capable of being operated at any time and takes into account stock requisition, logistics, recovery, storage and disposal?**	Full Compliance	

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3.7.4	**Does factory conduct mock recall test to check effectiveness of Product Recall procedure at least once a year?**	Full Compliance	
3.8	**Complaint Handling**		
3.8.1	**Does factory have a system for the management of complaints?**	Full Compliance	
3.8.2	**Do records indicate that complaints are thoroughly investigated and corrective actions taken to eliminate the root cause of non-conformities to prevent recurrence?**	Full Compliance	
3.9	**Corrective and Preventive Action**		
3.9.1	**Does factory have a system for investigating the cause of significant non-conformity against operation procedures, which are critical to product safety, legality and quality?**	Full Compliance	
3.9.2	**Are there records indicating that the factory takes timely actions to eliminate the root cause of non-conformities against operation procedures in order to prevent recurrences?**	Full Compliance	
3.10	**Document Control**		
3.10.1	**Does factory maintain proper documentation for control of formulas, specifications, BOM, procedures and work instructions?**	Full Compliance	

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3.10.2	**Controlled documents are secured and access restricted?**	Full Compliance	
3.10.3	**Are all relevant safety, legal, quality and complaint documents (e.g. QC, production, complaint, product safety records, etc.) shall be legible and retained in good condition for the time specified by customers or the factory QMS whichever is longer?**	Full Compliance	
3.10.4	**All documents in use are the correct version?**	Full Compliance	
3.10.5	**Any amendments to records are authorized?**	Non Conformity	As per records review, over 3 amendments were found on quality and production records without signatures for authorization in recent 3 months, which did not comply with the clause 4.2.2 requirement of written records control procedure (LK/CX02-2022).
3.11	**Internal Audit**		
3.11.1	**Are internal audits on management systems (e.g. QMS) conducted at defined intervals (minimum once a year)?**	Full Compliance	
3.11.2	**All corrective actions and follow-ups related to internal audits are satisfactorily completed?**	Full Compliance	
4	**Sites and Facilities Management**		
4.1	**Factory layout**		

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.1.1	**Is the building designed, constructed and maintained to minimize any potential for product contamination?**	Full Compliance	
4.1.2	**Does the placement of machinery and equipment allow an efficient product flow and minimize the risk of product contamination, loss of traceability and damage?**	Full Compliance	
4.2	**Production flow**		
4.2.1	**Is a process flow diagram available?**	Deviation	Process flow chart was established, but the CCP was not identified on the process flow chart.
4.2.2	**Do the premises allow sufficient working space and storage capacity to enable all operations to be carried out under safe and if necessary hygienic conditions, including areas such as raw material storage, component storage, production floor, packing or finishing area, finished product storage, etc.?**	Full Compliance	
4.3	**Segregation of products**		
4.3.1	**Is there effective segregation to minimize the risk of product cross-contamination taking into account the flow of product, nature of materials, equipment, personnel, waste, airflow, air quality, and utilities?**	Full Compliance	
4.4	**Staff facilities**		
4.4.1	**Are staff facilities such as washrooms, canteens, and break areas designed and operated so as to minimize the risk of product contamination?**	Full Compliance	

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4.4.2	**Are workers not allowed to have food, drink, or smoke at their work areas?**	Non Conformity	The factory established policy to forbid workers drinking, eating, or smoking at any workstation. But during this factory tour, drinking and eating snacks were found at hot press forming workstation.
4.4.3	**Where smoking is allowed under national law, are designated controlled smoking areas isolated from production areas to an extent that ensures smoke cannot reach the product?**	Full Compliance	
4.4.4	**Where specific work wear is required, are designated changing facilities provided for all personnel such as staff, visitors, or contractors?**	Full Compliance	
4.4.5	**Are suitable and sufficient hand-cleaning facilities provided at entrance and other appropriate points within production areas?**	Full Compliance	
4.4.6	**Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?**	Not Applicable	Jewelry control was not applicable for this felt storage box & felt fabric manufacturer.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.5	**Cleaning and hygiene practices(Where applicable) Note: Auditors should make a judgment if this sub-section is applicable based on nature of the products**		
4.5.1	**Are cleaning practices completed so as to minimize risk of contamination?**	Full Compliance	
4.5.2	**Are cleaning, pest control, and process-aid chemicals suitably identified and controlled to prevent the risk of product contamination?**	Full Compliance	
4.5.3	**Where cleaning services are outsourced, do service providers have a signed contract which identifies the scope and frequency of the work and a logbook maintained as a record of work done?**	Not Applicable	Cleaning services were not outsourced.
4.5.4	**Do documented cleaning procedures exist for the buildings, utilities, plant, and all equipment?**	Full Compliance	
4.5.5	**Do the documented cleaning procedures contain the following information: responsibility for cleaning, items or area to be cleaned, frequency of cleaning, method of cleaning, materials to be used, cleaning records and responsibility for verification?**	Full Compliance	
4.5.6	**Is cleaning and housekeeping carried out by trained personnel in accordance with documented procedures and records maintained?**	Non Conformity	During this audit, no training or qualification records were maintained for the cleaning and housekeeping carried out personnel.
4.6	**Pest control**		
4.6.1	**Has the factory identified and controlled the risk of pest infestation on the site(by factory internal or external third party), through operation of pest control procedures?**	Full Compliance	
4.6.2	**Does the factory have a clearly defined contract with external contractors which reflect the activities of the site, or have trained staff who undertake this responsibility?**	Full Compliance	

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.6.3	**Are inspection record for pest control maintained and complete?**	Full Compliance	
4.6.4	**Are bait stations robustly constructed, operational, and effective in eliminating the target pests?**	Full Compliance	
4.6.5	**Are bait stations positioned to avoid potential contamination of materials and products?** **Are fly-killing devices and/or pheromone traps correctly sited and operational?**	Full Compliance	
4.7	**Lighting and ventilation**		
4.7.1	**Is there sufficient lighting in the factory, including the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc.?**	Deviation	During this factory tour, the lighting was 101 lux at 100% inspection station after weaving, 245 lux at felt fabric cutting workstation and 191 lux at packing workstation, which were insufficient. Other sampled work and inspection stations were well lit. (requirement: at least 300 lux at packing area; 550 lux at all workstation; 750 lux at all QC stations)
4.7.2	**Is the ventilation adequate to maintain product safety, legality, and quality at the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc.?**	Full Compliance	

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4.8	**Contamination**		
4.8.1	**Does the factory have control of the transport and storage of products, from delivery of raw materials and components, to finished product?**	Deviation	Written materials / products transportation, storage & protection procedure (LK/CX21-2022) was established. During this factory tour, majority materials, semi-finished and finished products were properly stored & handled in corresponding areas, but it was noted that some recycled polyester fibers were stored on the floor in warehouse and before loosing in front processing workshop, some WIP were stored on the floor in weaving and hot press forming section, and some cartons packing activities were performed on the floor in packing workshop.
4.8.2	**Has the factory undertaken the necessary steps to identify and prevent the risks of foreign body contamination as identified by risk assessment including any contamination potentially introduced by the packaging?**	Full Compliance	
4.8.3	**Are tools and other sharp objects used in production controlled?**	Full Compliance	
4.8.4	**Where a metal or foreign body detector is required or specified by a customer, do documented procedures exist specifying its use, location, critical limits for detection, maintenance, and recording of results?**	Not Applicable	Metal detection was not applicable for this felt storage box & felt fabric manufacturer.

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4.8.5	**Where applicable are all needles under control without any spare needles unsecured?**	Not Applicable	No needles were used in the factory.
4.8.5.1	**If a needle is broken, is there a process for the replacement?**	Not Applicable	No needles were used in the factory.
4.8.5.2	**Is there is process to handle and account for all parts of a broken needle?**	Not Applicable	No needles were used in the factory.
4.8.5.3	**Does the factory retain all needle control records for a minimum of one year?**	Not Applicable	No needles were used in the factory.
4.8.5.4	**Is appropriate action taken when a needle is missing or fragments cannot be found?**	Not Applicable	No needles were used in the factory.
4.8.6	**Is the use of wood within raw material handling, preparation, processing, packing, and storage areas eliminated except when used in the product or where associated risks have been evaluated and controlled?**	Full Compliance	
5	**Product Control**		
5.1	**Reference Samples (Preproduction and Production Sample)**		
5.1.1	**Does the factory have a documented procedure to identify, select, categorize, handle, store, approve and use the reference samples (pre-production and production samples)?**	Full Compliance	
5.1.2	**Does the factory retain the samples which have been approved by the customer? If the customer approval is not possible, the sample representative of the agreed specification must be retained. (Note: Exception for those samples are physically very large or represent a very high cost, e.g., same style being produced in more than one line and/or one facility)**	Full Compliance	

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5.1.3	**Are the samples retained with defined retention period, and securely stored in suitable environmental conditions to maintain their original status?**	Full Compliance	
5.2	**Chemical Control**		
5.2.1	**A 'List of Approved Chemicals with Corresponding Brands / Manufacturers' should be maintained for the chemicals used as an ingredient or in contact with the products. The list can be in electronic format or in the computer system, e.g., ERP.**	Full Compliance	
5.2.2	**When chemicals are used as raw materials or ingredients, does the factory have documented procedure for managing, approving and controlling the engineering changes / product changes that may alter the chemical composition of the final product?**	Full Compliance	

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5.2.3	**Is the use of any substances classified as dangerous or of very high concern, in the country of sale documented?**	Full Compliance	
5.2.4	**When chemicals are used as raw materials or ingredients, are test reports or certificates of compliance available to demonstrate any presence of hazardous substances / Substances of Very High Concern (SVHC) in all incoming materials and components are below the threshold value for the country of sale?**	Full Compliance	
5.2.5	**Does the factory have test reports on components or finished products that confirm regulated hazardous substances for the finished product are below the threshold value relating to the product safety regulations of the country in which the products are sold?**	Full Compliance	
5.2.6	**Are controlled storage facilities provided for all chemicals used in the factory site (including cleaning and pest control chemicals) as per the recommendations on the manufacturer label to avoid deterioration or degrade?**	Full Compliance	
5.2.7	**Are procedures, MSDS, description or diagram for the handling of chemicals available at the point of use?**	Full Compliance	

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5.2.8	**Are segregation or other measures in place to avoid cross contamination or undesirable chemical reaction of chemical substances and/or preparations (e.g., acids and bases, flammables and oxidizers should not be stored together)?**	Full Compliance	
5.2.9	**Does the factory adopt 'First-in and First-out" logistic concept on its warehouse management for the chemicals with expiry date (i.e., materials with earlier expiry date should be used first)?**	Full Compliance	
5.2.10	**Are the production equipment and devices inspected and cleaned regularly between batches to avoid cross contamination?**	Full Compliance	
5.3	**Product Packaging Materials**		
5.3.1	**Are packaging assessed for fitness for purpose and determined suitable with regard to the following?**		
5.3.1.1	**Protecting the product from damage;**	Full Compliance	
5.3.1.2	**Maintaining the integrity of the product;**	Full Compliance	
5.3.1.3	**Protecting the consumer from injury; and**	Full Compliance	
5.3.1.4	**Preventing contamination**	Full Compliance	
5.3.2	**Does the product packaging conform to an agreed and documented specification and legal requirements of the country of sale with regard to composition, recyclability?**	Full Compliance	
5.3.3	**Are packaging materials effectively protected before being returned to storage?**	Deviation	As per interview with packing supervisor and on site observation, it was noted that some packaging materials (corrugated boards of master cartons) were stored on the floor before returning to storage in packing workshop.
5.3.4	**Where staples or other metal closures are used for packaging, are appropriate precautions taken to prevent the risk of contamination, damage or injury to the product or consumer?**	Not Applicable	No staples or other metal closures were used for packaging.

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5.4	**Control of Non conforming Materials**		
5.4.1	**Does the factory establish documented procedures for the control of non-conforming materials and products, including rejection, segregation, acceptance by concession or re-grading for an alternative use?**	Full Compliance	
5.4.2	**Are the procedures understood by the authorized personnel and implemented effectively?**	Deviation	Written non-conforming materials / products control procedure (LK/CX07-2022) was established, and non-conforming materials / products handling records were maintained, but it was noted that some non-conforming products were not identified and segregated in finished products warehouse.
5.4.3	**Are all non-conforming products and their packaging handled or disposed of according to the nature of the problem and/or the specific customer or legislative requirements?**	Full Compliance	
5.4.4	**Are the records kept for the nonconformities and subsequent actions taken?**	Full Compliance	
5.5	**Product Transport, Storage and Distribution**		
5.5.1	**Is transportation in good repair and in a clean/hygienic condition?**	Full Compliance	
5.5.2	**Are vehicles loaded and unloaded in covered areas/bays to prevent the risk of contamination and damage?**	Full Compliance	
5.5.3	**Where the product needs specific environmental requirements to prevent degradation, are these conditions documented, maintained and monitored during the transportation, storage and distribution?**	Full Compliance	
5.6	**Stock Control and Product Release**		

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5.6.1	**Does the factory establish a procedure ensuring only products conforming to specifications/defined quality are dispatched?**	Full Compliance	
5.6.2	**Are the procedures for products dispatch include the following?**		
5.6.2.1	**a) release by authorized personnel**	Full Compliance	
5.6.2.2	**b) all inspections and testing shall be successfully completed and documented to verify legislative and other defined requirements are met.**	Full Compliance	
5.6.3	**Where home-workers or subcontractors are used, are the same procedures for products dispatch (as Q5.6.1 & Q5.6.2) applied to the works/products done by home-workers or subcontractors?**	Full Compliance	
5.6.4	**Are controls for correct stock rotation in place to ensure materials and products used in the correct order and within the allocated shelf or usage life, where applicable?**	Deviation	Written warehouse & FIFO control procedure (LK/CX33-2022) was established, interviewed warehouse keeper knew that materials' rotation should be based on FIFO principle, but during this factory tour, about 50% incoming recycled polyester fiber was not identified with incoming batch# or receiving date to ensure FIFO policy being fully implemented in raw materials warehouse.
6	**Product Testing and Product Claims**		
6.1	**Product Testing**		
6.1.1	**Does factory establish procedures to undertake or subcontract analyses / testing according to product type and intended retail market?**	Full Compliance	

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6.1.2	**Does a documented testing plan exist which includes sample size, frequency, test method and pass/fail criteria for all tests on raw materials, work-in-process and finished products, to ensure that the final product meets customer requirements?**	Deviation	Written test procedure was in place, in house and 3rd party lab test reports were retained, but the established test plan did not cover 3rd party lab tests.
6.1.3	**For those tests on finished products, which factory performs in-house (and does not utilize services of external accredited lab), does the in-house testing comply with the requirements of an approved Independent Laboratory Accreditation Standard or equivalent?** **Note: This clause is applicable only for those tests on finished products, which factory performs in-house and does not utilize services of external accredited lab.**	Not Applicable	The factory utilized services of external accredited lab, such as SGS.
6.2	**Product Claims**		
6.2.1	**Does factory undertake product testing or inspections to validate and verify any stated claims about a product specification, quality or performance?**	Full Compliance	
7	**Process Control**		
7.1	**Control of operations**		
7.1.1	**Are preproduction meetings undertaken prior to new or substantially changed products being produced, to evaluate and approve the processes?**	Full Compliance	

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7.1.2	**In the event of deviation of the process from specification, is corrective action taken and recorded?**	Full Compliance	
7.2	**Control of incoming components and raw materials**		
7.2.1	**Are there documented approval procedures for raw materials and incoming goods, which assure conformance to agreed specifications, requirements and documented positive batch release including compliance to safety and regulatory requirements for the country in which the products will be sold?**	Deviation	At least 10% sampling inspection was conducted for fabrics by using 4-point system. The sampling plan for other materials' inspection was based on GB 2828, G-2, AQL: 0 / 1.5 / 2.5. Incoming inspection records were maintained. But according to materials' character, the defined AQL was unreasonable for inspection of non-countable materials, such as polyester fiber.
7.2.2	**Is there evidence of the inspection status of incoming components and raw materials?**	Full Compliance	
7.2.3	**Do the incoming goods procedures cover subcontracted work and work performed outside of the primary site?**	Full Compliance	

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7.3	**Calibration and control of measuring and monitoring devices**		
7.3.1	**Has all equipment used in accept or reject activity been effectively calibrated?**	Deviation	Measuring / testing equipment was routinely calibrated with updated calibration certificates, but during this factory tour, the light box was not posted with calibration label to indicate the calibration status.
7.3.2	**Are records of the results of calibration and verification maintained for a suitable period taking account of the life of the products being produced?**	Full Compliance	
7.3.3	**Are procedures in place for actions to be taken if equipment is found not to be operating within specified tolerances and/or limits?**	Full Compliance	
7.4	**Equipment and tooling maintenance**		
7.4.1	**Is equipment properly specified before use and operating parameters for production equipment and tooling determined, validated, and implemented as part of the control plan?**	Full Compliance	
7.4.2	**Is there a documented system for planned maintenance covering all items of equipment and plant which are critical to product safety, legality, and quality?**	Full Compliance	
7.4.3	**Are preventative maintenance schedules or cycles documented and on schedule?**	Deviation	Preventive maintenance schedules and records were available, and daily maintenance records were posted on machines, but it was noted that the maintenance records posted on 1 set die cutting machine was broken and was not updated for over 10 months.
7.4.4	**Are engineering and maintenance workshops controlled to prevent contamination risks to the product, and organized, clean and tidy to allow safe, efficient, and good-quality work?**	Full Compliance	

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7.4.5	**Do machines, equipment, fixtures, tools and measurement equipment appear to be clean in good condition and well maintained?**	Deviation	During this factory tour, production machines / equipment were adequately maintained in good run condition, but it was noted that some hot press forming molds were stored on the floor in forming section.
7.5	**Final product packing and control**		
7.5.1	**Do procedures exist to specify and control the packing of finished product, taking into account customers requirements?**	Full Compliance	
7.5.2	**Has the factory verified that the information shown on primary (consumer) package labels including bar codes and outer cartons are correct and meet the customer specification, regulatory and safety requirements of the region of intended sale?**	Full Compliance	
7.6	**Random Inspections**		
7.6.1	**Are in-line inspections carried out during assembly of the product**	Full Compliance	
7.6.2	**Procedures shall be in place to randomly sample and inspect work-in-process according to customer or internal IPQC requirements.**	Full Compliance	
7.6.3	**Products shall be inspected for appearance, size, color and workmanship prior to packing as per customer or internal requirements.**	Full Compliance	
7.6.4	**Product standards and guidelines shall be available and used by inspectors.**	Full Compliance	

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7	**Industry Module**		
7.7.1	**Incoming Material Inspection**		
7.7.1.1	**Shades of fabric and yarn shall be checked against approved standard to verify they are within tolerance (conducted under approved light source).**	Deviation	The factory had 1 set calibrated light box with PANTONE color cards for fiber / felt color / shade verification, interviewed inspector knew how to use the light box and light source selection of different clients, and fiber / felt color / shade verification records were kept. But no inspector was qualified or passed on vision test.
7.7.1.2	**Fabrics shall be inspected according to 4-point, 10-point, or specified system before cutting.**	Full Compliance	
7.7.1.3	**Procedures shall be in place to check shade matching and color to trim on each dye lot.**	Full Compliance	
7.7.1.4	**Trims and accessories from each dye lot shall be tested and visually inspected against standards and approved samples before use in production**	Full Compliance	
7.7.2	**Sample Development and Pre-production Plan**		
7.7.2.1	**Patterns (whenever applicable), pre-production and size set (whenever applicable) samples shall be reviewed and checked against approved specifications, construction requirements and design details.**	Full Compliance	
7.7.2.2	**Are initial samples made in the factory?**	Full Compliance	

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.2.3	**Are production samples made in the factory?**	Full Compliance	
7.7.2.4	**Are samples checked systematically?**	Full Compliance	
7.7.2.5	**Are bulk fabrics / yarns checked for shrinkage?**	Not Applicable	Not applicable for this felt fabric & felt storage box manufacturer.
7.7.2.6	**Are equipment facilities adequate in the sample room?**	Not Applicable	Samples making was performed in production line, and the factory did not have samples making room.
7.7.2.7	**Is a dummy fitting form available in the sample room?**	Not Applicable	Dummy fitting form was not applicable for this felt fabric & felt storage box manufacturer.
7.7.3	**Markers, Patterns, Cutting, and Fusing**		
7.7.3.1	**Paper pattern and markers (whenever applicable) shall be checked and approved prior to cutting.**	Not Applicable	Paper pattern or marker was not applicable for this felt fabric & felt storage box manufacturer.
7.7.3.2	**Procedures and controls for spreading process shall be in place based upon fabric properties. Relaxation time and spread height shall be appropriate for the material being spread.**	Not Applicable	Spreading or relaxation process was not applicable for this felt fabric & felt storage box manufacturer.
7.7.3.3	**Fabrics/yarns shall be cut according to dye/shade lot.**	Full Compliance	
7.7.3.4	**White/light colors shall be cut separately from darker shade fabrics/yarn.**	Full Compliance	
7.7.3.5	**When necessary, is each cut piece individually ticketed with data to give total traceability?**	Not Applicable	Not applicable for this felt fabric & felt storage box manufacturer.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.3.6	**Cut panels shall be checked against marker using top, middle and bottom panels from the cut panel blocks.** **(This clause is applicable for Apparel only)**	Not Applicable	Not applicable for this felt fabric & felt storage box manufacturer.
7.7.3.7	**Cut panel replacement procedures shall be in place to replace defective panels with fabric from the same dye lot or shade.**	Not Applicable	Not applicable for this felt fabric & felt storage box manufacturer.
7.7.3.8	**Fusing quality shall be monitored through periodic testing of temperature and bond strength with records maintained.**	Not Applicable	Not applicable for this felt fabric & felt storage box manufacturer.
7.7.4	**Sewing, Knitting, and Linking**		
7.7.4.1	**Sewing lines shall be organized in accordance with process flow, with work instruction.**	Not Applicable	No sewing process was operated in the factory.
7.7.4.2	**Random measurement inspection at end of the sewing line shall be carried out.**	Not Applicable	No sewing process was operated in the factory.
7.7.4.3	**Operators of knitting machines shall have approved written procedures explaining the knitting sequence, the amount of weights required for each style, courses/inch, wales/inch, panel width and height when using hand frame machines. Automatic knitting machines shall be properly set per instructions.**	Full Compliance	

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.4.4	**When necessary, are shade lots separated by a color continuity system?**	Full Compliance	
7.7.4.5	**Are approved samples displayed in the sewing room?**	Not Applicable	No sewing process was operated in the factory.
7.7.4.8	**Does the factory have a system to manage the labels and hangtags?**	Full Compliance	
7.7.5	**Wet Processing (N/A if No Wet Processing)**		
7.7.5.1	**Each wash batch shall be inspected and approved for shade variation against approved shade band under an approved light source.**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.2	**Each batch shall be inspected for critical measurement prior to and after washing.**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.3	**Products shall be weighed to ensure the correct quantity of detergent is being calculated and used in accordance with the washing formula.**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.4	**Controls shall be in place to ensure that processing cycle times, temperature, and pH are accurately controlled.**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.5.5	**Control and procedures shall be in place to ensure that color, effect and hand feel standards, as well as other aesthetic properties and standards are met.**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.6	**Testing shall be conducted on a routine basis to ensure the quality of the water and steam is acceptable and will not cause stains or adversely affect the formula.**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.7	**Are hand feel and appearance samples available in this section?**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.8	**Is a light inspection carried out before washing?**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.5.9	**Is a light inspection carried out after washing?**	Not Applicable	Wet processing was not applicable for this felt fabric & felt storage box manufacturer.
7.7.6	**In-process Control/Testing**		
7.7.6.1	**Set-up instruction sheets shall be present at each embroidery machine. Thread tension shall be monitored with records kept.**	Not Applicable	No embroidery process was operated in the factory.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.6.2	**Products or components being produced at sub-contracted facilities or the outsource of washing, embroidery, printing, snap and fastener attachment processes etc. shall be inspected after goods are returned from the sub-contractor.**	Full Compliance	
7.7.6.3	**Controls shall be in place for all critical machine, thread and needle settings base on fabric types and style.**	Full Compliance	
7.7.6.4	**Seconds and overruns products shall be handled as per customer requirements.**	Full Compliance	
7.7.6.5	**Testing for attachment security shall be carried out according to customer requirements or internal standards as appropriate.**	Not Applicable	Products made in the factory was felt storage box and felt fabric, and no attachment was on products.
7.7.6.6	**Filled products (cushions, comforters, filled jackets, etc.) should be tested for flammability and must comply with the safety requirements where the products are sold, as applicable.**	Not Applicable	No filled products were made in the factory.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.6.7	**Filled products being exported to US should have a Law label sewn on to the product.**	Not Applicable	No filled products were made in the factory.
7.7.6.8	**Opening and mixing of filling components in Blended filling materials.**	Full Compliance	
7.7.6.9	**The factory shall take steps to ensure that no paper, polythene, floor sweepings or other contaminants, e.g. dust, are mixed in with the crumb foam operation.**	Full Compliance	
7.7.6.10	**Procedures or W/I for controlling weight of stuffing is per product specification or customer requirement.**	Not Applicable	No stuffing process was operated in the factory.
7.7.8	**Finishing and Pressing**		
7.7.8.1	**Trimming shall be conducted according to customer requirements or internal standards.**	Full Compliance	
7.7.8.2	**Pressing shall be carried out according to customer requirements or internal standards as appropriate.**	Not Applicable	Pressing process was not applicable for this felt storage box and felt fabric manufacturer.
7.7.8.3	**Controls shall be in place to ensure proper cleaning equipment and cleaning agents are applied to different stain types.**	Full Compliance	

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.8.4	**Products shall be separated into shades prior to packing per customer requirements or internal standards whichever is applicable.**	Full Compliance	
7.7.8.5	**Is a conveyor-belt-type metal detector used?**	Not Applicable	Metal detection was not applicable for this felt storage box and felt fabric manufacturer.
7.7.8.6	**Before any finished goods can be passed through the metal detector, are "checking tests" carried out using the nine-point system?**	Not Applicable	Metal detection was not applicable for this felt storage box and felt fabric manufacturer.
7.7.8.7	**Does the factory conduct 100% metal detection?**	Not Applicable	Metal detection was not applicable for this felt storage box and felt fabric manufacturer.
7.7.8.8	**Does the factory have a "metal-free" area?**	Not Applicable	Metal detection was not applicable for this felt storage box and felt fabric manufacturer.
7.8	**Industry Module (Yarn & Fabric)**		

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.8.1.1	**An inspection plan, defect classification, sample size, and accept/reject criteria for incoming fibers, yarns and packaging materials shall be defined.**	Full Compliance	
7.8.1.2	**Incoming Fibers for spinning shall be tested for all characteristics curtail to deliver yarn of optimum quality and achieve an optimum production efficiency.**	Full Compliance	
7.8.1.3	**Incoming yarn for weaving shall be inspected/tested against purchase order or specification requirements before use.**	Full Compliance	
7.8.1.4	**Blending oils, if being used, should be tested for heavy metal content.**	Not Applicable	No blending oil was used for production.
7.8.1.5	**Fibers / Yarns shall be conditioned in a controlled environment prior to being used in production.**	Full Compliance	
7.8.1.6	**Water used for wet processing or water-jet weaving is tested before being used.**	Not Applicable	No wet processing or water-jet weaving process was operated in the factory.
7.8.2	**Sample Development and Pre-production Plan**		
7.8.2.1	**Pre-production meetings shall be conducted and attended by relevant management/staff of yarn and fabric manufacturing facilities, prior to production.**	Full Compliance	

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7.8.3	**Mixing & Blowroom**		
7.8.3.1	**When intimate blending is planned the blend ratio is pre-determined and during mixing operation, fibers from each bale are taken uniformly in required ratio.**	Full Compliance	
7.8.3.2	**Key fiber characteristics and trash content are considered when setting the blowroom machines and its various sensors.**	Full Compliance	
7.8.4	**Carding**		
7.8.4.1	**Guidelines exist and are followed for choice of card clothing depending on fiber type.**	Full Compliance	
7.8.4.2	**A Carding machine stripping schedule is available and is followed.**	Full Compliance	
7.8.5	**Spinning Preparation & Yarn Spinning (Drawing to Ring frame)**		
7.8.5.1	**Procedures/controls shall be in place for Draw frame, Combers, Speed frame and yarn spinning machines to control the evenness and size of the sliver / yarn, the amount of twist, the parallelism of the fibers.**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.
7.8.5.2	**Whenever Sliver or Roving blending is planned the blend ratio is pre-determined and Sliver cans / Roving bobbins are creeled so as to attain the pre-determined blend ratio.**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.
7.8.5.3	**Guidelines exist for use of appropriate size and type of Spacers, Condensers, Cots and Travelers depending on the material processed and desired count.**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.
7.8.5.4	**The roller cots and aprons should be checked regularly and should be buffed, cleaned or replaced as required.**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.

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7.8.5.5	**Spacers and Travelers used are checked regularly and replaced**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.
7.8.5.6	**Machine stop motions and cleaning fans shall be in good working condition on all machines.**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.
7.8.5.7	**The geometry of spinning triangle and all machine settings necessary to maintain the intended geometry are well understood and maintained by factory.**	Not Applicable	No spinning preparation or yarn spinning process was operated in the factory.
7.8.6	**Winding**		
7.8.6.1	**Type of sensors and splicer used on Winding machine were effective to ensure removal of yarn faults depending on the type of yarn being produced.**	Not Applicable	No winding process was operated in the factory.
7.8.6.2	**The wound packages meet the required packaging specifications and are of optimum density.**	Not Applicable	No winding process was operated in the factory.
7.8.7	**Warping**		
7.8.7.1	**All yarn boxes / cones are segregated lot wise to avoid lot mixing during creeling.**	Not Applicable	No warping process was operated in the factory.
7.8.7.2	**All stop motions and thread tensioning devices are in good condition and are appropriate for the yarn quality processed.**	Not Applicable	No warping process was operated in the factory.
7.8.7.3	**Empty beams do not have signs of damage that can affect output beam quality or on-machine performance.**	Not Applicable	No warping process was operated in the factory.
7.8.8	**Sizing**		
7.8.8.1	**Factory uses appropriate sizing recipe depending on the yarn type and required size pick-up.**	Not Applicable	No sizing process was operated in the factory.
7.8.8.2	**Viscosity and Solid content of size paste is measured at cooking stage and in the sow box.**	Not Applicable	No sizing process was operated in the factory.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.8.8.3	**The sizing machine operators are aware of the yarn stretch zones in the machine and the measures to control the same.**	Not Applicable	No sizing process was operated in the factory.
7.8.8.4	**Sizing procedures/controls shall be established to ensure uniform size pick-up.**	Not Applicable	No sizing process was operated in the factory.
7.8.9	**Weaving**		
7.8.9.1	**Heald frames and reeds are cleaned before drawing-in process.**	Full Compliance	
7.8.9.2	**First piece inspection is conducted for every new sort.**	Full Compliance	
7.8.9.3	**Procedures/controls shall be established for operator on how to use the weft color yarn.**	Full Compliance	
7.8.9.4	**Procedures/controls shall be established for handling of partially used pirns and cones (with leftover yarn).**	Full Compliance	
7.8.9.5	**Machine stop motion (broken warp/weft yarn stop motion, yarn detector, etc.) shall be installed and checked by maintenance team.**	Full Compliance	
7.8.9.6	**Procedures shall be in place to randomly sample and inspect work-in-process (e.g. Fabric width, construction and weight) according to customer requirements.**	Full Compliance	
7.8.9.7	**An in-factory 4 point /10 point fabric inspection system shall be performed by independent inspector to ensure quality and visual conformance to specification prior to dispatch.**	Full Compliance	100% inspection was conducted for felt fabric after weaving.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.8.9.8	**Procedures and controls for fabric repair process (mending) shall be established.**	Full Compliance	
7.8.9.9	**An efficient maintenance team is available on-site to handle machine breakdown.**	Full Compliance	
7.8.10	**Fabric Pre-Treatment (Singeing, Desizing, Scouring, Bleaching, Mercerizing)**		
7.8.10.1	**All necessary pre-treatment processes are performed depending on the fabric type and desired fabric quality.**	Not Applicable	No fabric pre-treatment process was operated in the factory.
7.8.10.2	**Optimum process parameters are maintained during singeing operation to avoid under singeing or over singeing.**	Not Applicable	No fabric pre-treatment process was operated in the factory.
7.8.10.3	**Uniform desizing is achieved through proper choice of desizing method and controlling all key process parameters.**	Not Applicable	No fabric pre-treatment process was operated in the factory.
7.8.10.4	**Uniform scouring is achieved through proper choice of scouring method and controlling all key process parameters.**	Not Applicable	No fabric pre-treatment process was operated in the factory.
7.8.10.5	**Intended Whiteness index is achieved at Bleaching machine.**	Not Applicable	No fabric pre-treatment process was operated in the factory.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.8.10.6	**Whenever Mercerization is required the intended Degree of Mercerization is achieved by controlling the alkali penetration in cotton.**	Not Applicable	No fabric pre-treatment process was operated in the factory.
7.8.11	**Dyeing**		
7.8.11.1	**Approved lab-dips are available and Dye-bath recipe are pre-determined for every fabric lot.**	Not Applicable	No dyeing process was operated in the factory.
7.8.11.2	**The rate of dyeing is controlled during dyeing process.**	Not Applicable	No dyeing process was operated in the factory.
7.8.11.3	**Batch to Batch shade variation is monitored and controlled.**	Not Applicable	No dyeing process was operated in the factory.
7.8.11.4	**Dyeing team is aware of the potential dyeing faults and their remedies**	Not Applicable	No dyeing process was operated in the factory.
7.8.12	**Printing**		
7.8.12.1	**Procedures were well implemented to execute necessary printing preparation process.**	Not Applicable	No printing process was operated in the factory.
7.8.12.2	**Printing paste viscosity is controlled to avoid screen chocking and shade variation**	Not Applicable	No printing process was operated in the factory.
7.8.12.3	**The machine, the blanket and the surroundings are maintained clean to avoid possibility of foreign bodies causing printing defects.**	Not Applicable	No printing process was operated in the factory.

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.8.12.4	**In automatic printing machines continuous online monitoring is practiced to ensure precise registration and color matching across the length and width of fabric or across panels.**	Not Applicable	No printing process was operated in the factory.
7.8.12.5	**Procedures exist and are practiced for print after treatment processes.**	Not Applicable	No printing process was operated in the factory.
7.8.13	**Fabric Finishing**		
7.8.13.1	**The finishing process sequence followed and the machinery installed are appropriate to achieve the desired fabric quality**	Full Compliance	
7.8.13.2	**Machine operators and supervisors are aware of the possible defects their machine can introduce into the fabric and also the remedies for the same.**	Full Compliance	
7.8.13.3	**The value addition introduced by each finishing process is measured and maintained by controlling key process parameters on each machine.**	Full Compliance	
7.8.14	**In-process Control/Testing and Inspection**		
7.8.14.1	**Seconds and overruns of Yarn / Fabrics shall be handled as per customer requirements.**	Full Compliance	
7.8.14.2	**Procedures shall be in place to randomly sample Yarns / Fabrics for testing and inspecting work-in-process according to customer or internal IPQC requirements.**	Full Compliance	
7.8.15	**Final Inspection, Packing and Storage**		

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.8.15.1	Yarns / Fabrics shall be separated into shades prior to packing per customer requirements or internal standards whichever is applicable.	Full Compliance	
7.8.15.2	Fabrics shall be inspected for appearance, hand feel, width, shrinkage and color prior to packing as per customer or internal requirements. Yarns shall be inspected for evenness, defects, twist and color.	Full Compliance	
7.8.15.3	Yarn / Fabric standards and guidelines shall be available and used by inspectors.	Full Compliance	
7.8.15.4	Yarns / Fabrics shall be stored appropriate to the material, package type and surrounding environment.	Full Compliance	
8	Personnel Training and Competency		
8.1	Does the factory establish training procedures?	Full Compliance	
8.2	Does the factory determine necessary competence for personnel performing work impacting product safety, legality and quality?	Full Compliance	

Costco GMP Integrated Textile Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
8.3	**Does the factory regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality?**	Non Conformity	Per interview with admin manager, no training needs investigation was conducted before establishing annual training schedules, which did not comply with the clause 3.1 requirement of written Human Resource Control Procedure (LK/CX13-2022).
8.4	**Are personnel performing work that affects product safety, legality and quality (including temporary personnel and contractors) appropriately trained and instructed prior to commencing work and adequately supervised throughout the working period?**	Full Compliance	
8.5	**Are the personnel, who have a direct effect on the safety, quality or legality of products, trained to ensure understanding of risk assessment procedures or outcomes as necessary for their activity?**	Full Compliance	
8.6	**Are the effectiveness of trainings evaluated?**	Full Compliance	

Costco GMP Integrated Textile Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
8.7	**Are up-to-date training records stored in a secure way such that privacy of personnel is protected?**	Full Compliance	
8.8	**Are the personnel performing work that affects product safety, legality and quality demonstrably competent to carry out their activity?**	Full Compliance	

Corrective Action Plan (CAP) Report

Costco GMP Integrated Textile Factory Assessment

Factory Name:	Nangong Rolking Felt Co., Ltd.			**Factory Representative Name and Signature:**	Mr. Wu Junyu
Address:	Fanjiazhai North, Chuiyang Town, Nangong City			**Auditor Signature:**	Tonny Tang
Report number:	10233601196	**Auditor Name:**	Tonny Tang		
Audit Type:	Initial Audit	**CAP Desktop Review done by:**		**Factory Comments (if any):**	Nil
Audit Date:	Jan. 11, 2024	**Evidence Reviewed by:**			

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working days from Audit Date			To be Completed by 3rd Party - within 2 working days from the receipt of CAPA from Factory		CAP Evidence Collection - To be Completed within 30 calendar days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	**Original Clause Requirement**	**Levels of Non-Conformance**	**Audit Findings**	**Corrective Action Plan**	**Responsible Persons**	**Due Date**	**Agreement with factory or Comments for Revision**	**Objective Evidences Required**	**Objective Evidences**	**CAPA Validation Results**	**Remarks**
1.2	Is the policy communicated throughout the factory, and regularly reviewed?	MINOR	Quality policy was established in clause 2.1 of quality manual (LK-QM-2022), and training records were maintained on quality policy, but during this factory tour, the quality policy was not posted anywhere for communication to workers.								
1.6	Does factory track its key performance indicators (KPI) for on-time delivery, outgoing quality, complaint rate, etc.?	MINOR	The KPIs (on-time delivery rate: 98%, customer satisfaction: 90%, final inspection pass rate: 95%, training completion rate: 100%, etc.) were set up, deployed to each department, and relevant KPI monthly / yearly monitoring records were maintained; however, the KPI did not cover customer complaint rate and out going quality.								
2.2.5	Does the factory conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?	MINOR	PFMEA was conducted for risk assessment to identify the hazards potentially introduced during production, packaging and storage processes, but according to interview with quality manager and comments of 2.2.6 and 2.2.7, the PFMEA was incomplete, and Deviation was given for this checkpoint.								
2.2.6.2	Conditions of equipment, molds, dies, machinery	MINOR	According to the last PFMEA list on Aug. 11, 2023, conditions of equipment / machinery were considered, but the factory did not take the condition of hot press forming molds into account.								
2.2.6.3	Chemicals / materials used for equipment (e.g. lubricating oils and paints)	MODERATE	According to the last PFMEA list on Aug. 11, 2023, the factory did not take the chemicals / materials used for equipment, such as lubricant, into account.								
2.2.7.1	A list of potential risk or hazards in the production process	MINOR	According to the last PFMEA list on Aug. 11, 2023, potential risks were identified from majority production processes, but were not identified from the fiber loosing and mixing processes.								
2.3.4	Does the factory implement risk management systems based on a systematic risk assessment system to assure product safety legality and quality?	MODERATE	Written risk management & CCP control procedure (LK/CX34-2022) was established, product risk assessment and PFMEA were conducted for Risk Assessment, most potential hazards were identified and controlled, but according to interview with quality manager and comments of 2.2.5, the PFMEA was incomplete and Deviation was given for this checkpoint.								

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Clause No.	Original Clause Requirement	Levels of Non-Conformance	Audit Findings	Corrective Action Plan	Responsible Persons	Due Date	Agreement with factory or Comments for Revision	Objective Evidences Required	Objective Evidences	CAPA Validation Results	Remarks
3.2.2	Are there appropriate arrangements in place, to cover for the absence of key staff?	MINOR	As per interview with admin manager, the factory did not have appropriate arrangements to cover for the absence of key staff, such as QC personnel.								
3.4.3	Any changes in product specifications are formally agreed with customers and then communicated to relevant departments?	MODERATE	The factory established a written engineering changes control procedure (LK/CX28-2022), but during this audit, the factory did not keep any ECN records for review.								
3.5.1	Are there procedures for approval and an on-going monitoring program for sub-contractors and suppliers of all raw materials, packaging, and utilities? Does factory use the results of the approval process to determine acceptable/non acceptable sources?	MINOR	Written purchase control procedure (LK/CX03-2022) and supplier assessment control procedure (LK/CX17-2022) were established to define the supplier approval and on-going performance monitoring programs. Approved supplier list, supplier approval and on-going performance monitoring records were maintained, but no approval record was maintained for the laser carving subcontractor (Hebei Qingfeng Felt Co., Ltd.).								
3.6.2	Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?	MINOR	During this factory tour, about 50% incoming recycled polyester fiber was not labeled in main raw materials warehouse, identification of other incoming materials, semi-finished and finished products were adequate to ensure traceability.								
3.10.5	Any amendments to records are authorized?	MINOR	As per records review, over 3 amendments were found on quality and production records without signatures for authorization in recent 3 months, which did not comply with the clause 4.2.2 requirement of written records control procedure (LK/CX02-2022).								
4.2.1	Is a process flow diagram available?	MINOR	Process flow chart was established, but the CCP was not identified on the process flow chart.								
4.4.2	Are workers not allowed to have food, drink, or smoke at their work areas?	MODERATE	The factory established policy to forbid workers drinking, eating, or smoking at any workstation. But during this factory tour, drinking and eating snacks were found at hot press forming workstation.								
4.5.6	Is cleaning and housekeeping carried out by trained personnel in accordance with documented procedures and records maintained?	MINOR	During this audit, no training or qualification records were maintained for the cleaning and housekeeping carried out personnel.								
4.7.1	Is there sufficient lighting in the factory, including the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc.?	MINOR	During this factory tour, the lighting was 101 lux at 100% inspection station after weaving, 245 lux at felt fabric cutting workstation and 191 lux at packing workstation, which were insufficient. Other sampled work and inspection stations were well lit. (requirement: at least 300 lux at packing area; 550 lux at all workstation; 750 lux at all QC stations)								
4.8.1	Does the factory have control of the transport and storage of products, from delivery of raw materials and components, to finished product?	MINOR	Written materials / products transportation, storage & protection procedure (LK/CX21-2022) was established. During this factory tour, majority materials, semi-finished and finished products were properly stored & handled in corresponding areas, but it was noted that some recycled polyester fibers were stored on the floor in warehouse and before loosing in front processing workshop, some WIP were stored on the floor in weaving and hot press forming section, and some cartons packing activities were performed on the floor in packing workshop.								
5.3.3	Are packaging materials effectively protected before being returned to storage?	MINOR	As per interview with packing supervisor and on site observation, it was noted that some packaging materials (corrugated boards of master cartons) were stored on the floor before returning to storage in packing workshop.								

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Clause No.	Original Clause Requirement	Levels of Non-Conformance	Audit Findings	Corrective Action Plan	Responsible Persons	Due Date	Agreement with factory or Comments for Revision	Objective Evidences Required	Objective Evidences	CAPA Validation Results	Remarks
5.4.2	Are the procedures understood by the authorized personnel and implemented effectively?	MINOR	Written non-conforming materials / products control procedure (LK/CX07-2022) was established, and non-conforming materials / products handling records were maintained, but it was noted that some non-conforming products were not identified and segregated in finished products warehouse.								
5.6.4	Are controls for correct stock rotation in place to ensure materials and products used in the correct order and within the allocated shelf or usage life, where applicable?	MINOR	Written warehouse & FIFO control procedure (LK/CX33-2022) was established, interviewed warehouse keeper knew that materials' rotation should be based on FIFO principle, but during this factory tour, about 50% incoming recycled polyester fiber was not identified with incoming batch# or receiving date to ensure FIFO policy being fully implemented in raw materials warehouse.								
6.1.2	Does a documented testing plan exist which includes sample size, frequency, test method and pass/fail criteria for all tests on raw materials, work-in-process and finished products, to ensure that the final product meets customer requirements?	MINOR	Written test procedure was in place, in house and 3rd party lab test reports were retained, but the established test plan did not cover 3rd party lab tests.								
7.2.1	Are there documented approval procedures for raw materials and incoming goods, which assure conformance to agreed specifications, requirements and documented positive batch release including compliance to safety and regulatory requirements for the country in which the products will be sold?	MINOR	At least 10% sampling inspection was conducted for fabrics by using 4-point system. The sampling plan for other materials' inspection was based on GB 2828, G-2, AQL: 0 / 1.5 / 2.5. Incoming inspection records were maintained. But according to materials' character, the defined AQL was unreasonable for inspection of non-countable materials, such as polyester fiber.								
7.3.1	Has all equipment used in accept or reject activity been effectively calibrated?	MINOR	Measuring / testing equipment was routinely calibrated with updated calibration certificates, but during this factory tour, the light box was not posted with calibration label to indicate the calibration status.								

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working days from Audit Date			To be Completed by 3rd Party - within 2 working days from the receipt of CAPA from Factory		CAP Evidence Collection - To be Completed within 30 calendar days from last audit date		
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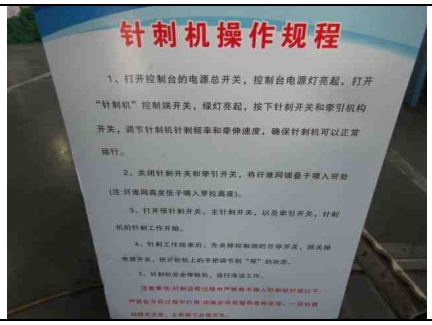
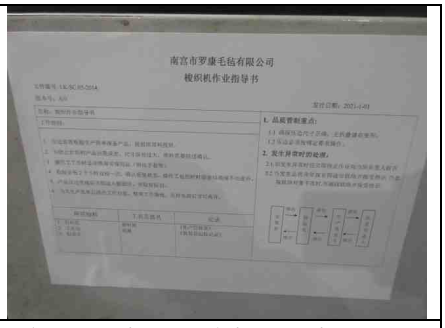
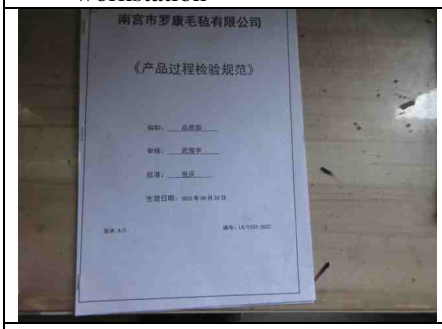
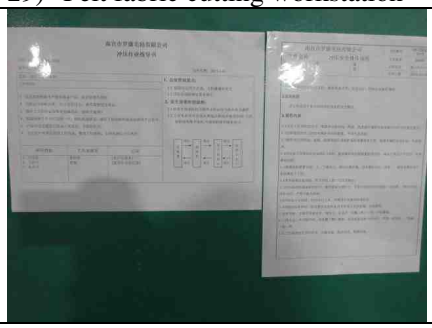
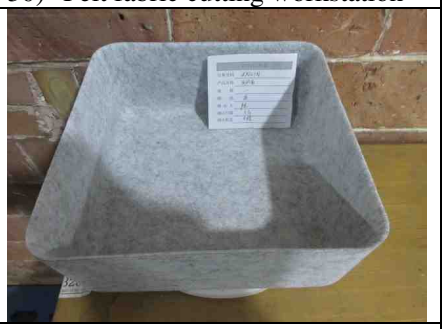
Clause No.	Original Clause Requirement	Levels of Non-Conformance	Audit Findings	Corrective Action Plan	Responsible Persons	Due Date	Agreement with factory or Comments for Revision	Objective Evidences Required	Objective Evidences	CAPA Validation Results	Remarks
7.4.3	Are preventative maintenance schedules or cycles documented and on schedule?	MINOR	Preventive maintenance schedules and records were available, and daily maintenance records were posted on machines, but it was noted that the maintenance records posted on 1 set die cutting machine was broken and was not updated for over 10 months.								
7.4.5	Do machines, equipment, fixtures, tools and measurement equipment appear to be clean in good condition and well maintained?	MINOR	During this factory tour, production machines / equipment were adequately maintained in good run condition, but it was noted that some hot press forming molds were stored on the floor in forming section.								
7.7.1.1	Shades of fabric and yarn shall be checked against approved standard to verify they are within tolerance (conducted under approved light source).	MODERATE	The factory had 1 set calibrated light box with PANTONE color cards for fiber / felt color / shade verification, interviewed inspector knew how to use the light box and light source selection of different clients, and fiber / felt color / shade verification records were kept. But no inspector was qualified or passed on vision test.								
8.3	Does the factory regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality?	MINOR	Per interview with admin manager, no training needs investigation was conducted before establishing annual training schedules, which did not comply with the clause 3.1 requirement of written Human Resource Control Procedure (LK/CX13-2022).								

DIGITAL PHOTO FORM

Client	**Costco**
Vendor	**Neatfreak Group (Oakville)**
Factory	**Nangong Rolking Felt Co., Ltd.**
Audit Date	**Jan. 11~12, 2024**
Report No.	**10233601196**

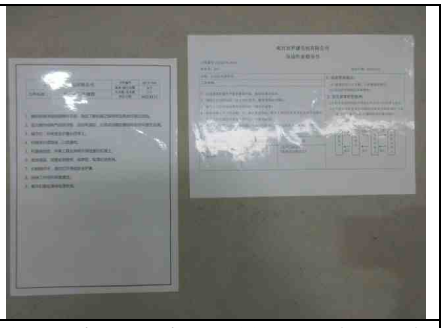
		
1) Factory entrance	2) Factory name board	3) Example products (felt storage box)
		
4) ISO 9001 and 14001 certificates	5) Recycled polyester fiber warehouse(NC 4.8.1-stored on the floor)	6) Recycled polyester fiber was labeled
		
7) Incoming inspection station	8) 1782 lux at incoming inspection station	9) Polyester fiber opening / loosing workstation
		
10) Fiber mixing workstation	11) Carding workstation	12) Carding SOP

		
13) Weaving line	14) Weaving SOP	15) Weaving work instruction
		
16) Fastened sharp tools at weaving workstation	17) 100% inspection station after weaving	18) IPQC station in front processing workshop
		
19) In line inspection instruction	20) 922 lux at IPQC station in front processing workshop	21) PANTONE color cards
		
22) Another workshop for front processing (polyester fiber loosing, mixing, carding and weaving)	23) 3rd workshop for front processing (polyester fiber loosing, mixing, carding and weaving)	24) 4th workshop for front processing (polyester fiber loosing, mixing, carding and weaving)

		
25) Factory entrance at another site (500 meters away from the submitted address)	26) Factory name board	27) Outlook of factory building at another site
		
28) Interior view of factory building	29) Felt fabric cutting workstation	30) Felt fabric cutting workstation
		
31) Hot press forming workstations	32) Hot press forming safety SOP and work instruction	33) Reference sample for hot press forming
		
34) Maintenance records on hot press forming machine	35) 585 lux at hot press forming workstation	36) Hot pressing forming molds storage

37) Drying facility

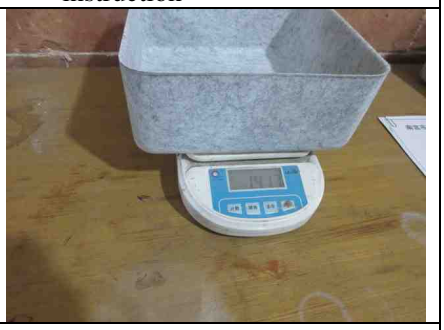
38) Edge die cutting workstation



39) Die cutting SOP and work instruction

40) Die cutting molds storage

41) IPQC station in felt cutting, forming and die cutting workshop



42) Weighing during in line inspection

43) Finishing and packing workshop

44) Finishing and packing work instruction

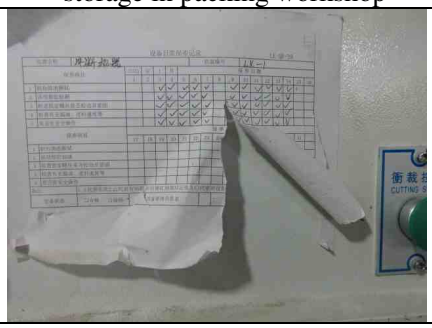
45) Final inspection station

46) Final inspection instruction

47) 842 lux at final inspection station

48) Finished products warehouse

		
49) Fly killer in finished products warehouse	50) Loading area was covered	51) Clients' samples retaining area
		
52) NC 3.6.2 & 5.6.4 About 50% recycled polyester fiber was not labeled to ensure traceability and FIFO	53) NC 4.4.2 Drinking bottle and eating snacks at hot press forming workstation	54) NC 4.7.1 101 lux at 100% inspection station after weaving
		
55) NC 4.7.1 245 lux at felt fabrics cutting workstation	56) NC 4.7.1 191 lux at packing workstation	57) NC 4.8.1 Some recycled polyester fiber was stored on the floor
		
58) NC 4.8.1 Some polyester fiber stored on the floor before loosing in front processing	59) NC 4.8.1 Some WIP stored on the floor after weaving	60) NC 4.8.1 Some WIP stored on the floor in hot press forming section

workshop		
		
61) NC 4.8.1 Some cartons packing performed on the floor in packing workshop	62) NC 5.3.3 Some corrugated boards of master cartons stored on the floor before returning to storage in packing workshop	63) NC 5.4.2 Some non-conforming products were not identified and segregated in finished products warehouse
		
64) NC 7.3.1 Light box without calibration label posted to indicate the calibration status	65) NC 7.4.3 Maintenance records on die cutting machine was broken and was not updated	66) NC 7.4.5 Some hot press forming molds stored on the floor at molds storage area

Business License

Version 04 - 25Mar2019

Costco Pre- Audit Questionnaire (PAQ)

Instruction:
1. Supplier/ Factory representatives must complete all the required fields(highlighted in yellow), put N/A if not applicable.
2. Supplier/Factory shall provide accurate informations to represent the factory to be audited. BV Auditor will verify during the audit.
3. Supplier/ Factory need to submit this completed PAQ to BV Coordinator at least 5 days before confirmed audit date.

1. Factory Overview

Factory Name	Nangong Rolking Felt Co., Ltd.
Factory Address	Fanjiazhai North, Chuiyang Town, Nangong City, Xingtai City, Hebei Province, China
Factory Phone Number	13426424820
Factory Fax Number	/
URL/Web Address	https://www.rolkingfelt.com/
Name of Contact	Max Liu
E-mail address	max@rolkingfelt.com
Year Established	2010
Number of Buildings	9
Factory GLN (Global Locator Number)	
Total Production Area M^2	12,000
Warehouse Area M^2	3,000

Does factory provide permission for 3rd party auditor to take photographs in all storage and production areas during Costco audit? Yes

2. Personnel

2.1 Key Staff	Name	Tel	E-mail	Year(s) in Position at Company	Year(s) at Company
General Manager	Ken Zhang	13231998999	ken@rolkingfelt.com	14	14
Quality/Technical Manager	Ms. Liu Jie	13932960003	info@rolkingfelt.com	6	12
Production Manager	Mr. Wu Junyu	18033701225	wujunyu@rolkingfelt.com	5	6
R & D Manager	Nancy Liu	18601063340	nancy@rolkingfelt.com	12	12
Health & Safety Officer	Mr. Liu Guodong	13931954329	info@rolkingfelt.com	4	4
Security Representative/Officer					
Equipment Maintenance	Mr. Gong Mingzhuang	13373392120	N/A	3	3
Others (please specify)					

2.2 Personnel / Headcount by Department

Department	Full time	Part time	Sub Total
Production	90	0	90
Quality	12	0	12
Technical	3	0	3
Management	7	0	7
Admin	3	0	3
Other	3	0	3
			0
			0
			0
		Grand Total:	118

3. Export Markets

Markets	% of Total Business Volume
U.S. / North America	20%
E.U.	20%
Asia	5%
Others	5%
Domestic	50%

4. Key Clients (past 12 months)

Customers	% Business	Type of Products	Market(s)
Boucheron	10%	Felt fabric	EU
MA	10%	Felt storage box	USA
RUSHER	8%	Felt fabric	EU
MH	5%	Felt storage box	Asia

5. Product Capabilities

Note: If your factory performs only re-packaging for Costco and does not manufacture any products for Costco, please mark section 5.1 and 5.2 as "Not Applicable".

5.1 What items the factory produced in past 12 months?

Product Category	Years of Experience Producing Product	Actual Units Shipped
Felt fabric	14	7,500 tons
Felt storage box	14	2,410,000 sets

5.2 What are the current items being produced?

Product Category	Material	Client	Ship date	Quantity (units)
Felt fabric	100% recycled polyester fiber	Domestic	N/A	N/A
Felt storage box	100% recycled polyester fiber	MA	Jan. 16, 2024	180,000 sets

Version 04 - 25Mar2019

Costco Pre- Audit Questionnaire (PAQ)

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6. Production Capabilities

In case of power shortage, is back-up generator in place? No

If yes, how many and what is the capacity of each generator? N/A

6.1 List of Major Machinery / Utilities

Machinery	Type	Quantity	Condition
Fiber loosing machine	KT-06-6TT	5	Fully operational
Mixing machine	KT-06-6TUK	5	Fully operational
Carding machine	KT-06-6TF	5	Fully operational
Weaving machine	KT-06-6TR	5	Fully operational
Felt cutting machine	KT-06-6TSA	5	Fully operational
Forming machine	LKYZ-S1	16	Fully operational
Drying box	YSZQS	4	Fully operational
Die cutting machine	YJY69KF-01	3	Fully operational

6.2 List of Process being subcontracted

Process Subcontracted
Laser carving

6.3 List of All Main Materials used in past 12 months

Material Name	Imported (Y/N)	Country of Origin
100% recycled polyester fiber	N	China

7. Management Systems and Accreditation

(please attach copies of each)

Accreditation		Certifying Body	Date	Expiry
ISO 9001	Yes	NOA Testing & Certification Group Ltd.	Apr. 3, 2023	Apr. 28, 2026
ISO 14001	Yes	BOCO Zhongcheng (Beijing)	Aug. 28, 2023	Aug. 27, 2026
BRC Standard - Consumer Products	No			

Others (please specify): N/A

Is product certification done in terms of selling destination (e.g., UL for US, CCC for China, CE for Europe…) at the factory? No

Certifying Body	Date	Expiry
N/A		

if Yes, please specify

8. Quality Control Management

Are QA/QC inspectors independent of production? Yes

Who does the QC/QA Manager/Supervisor report to? Ken Zhang / General manager

How many QA/QC in total? 12

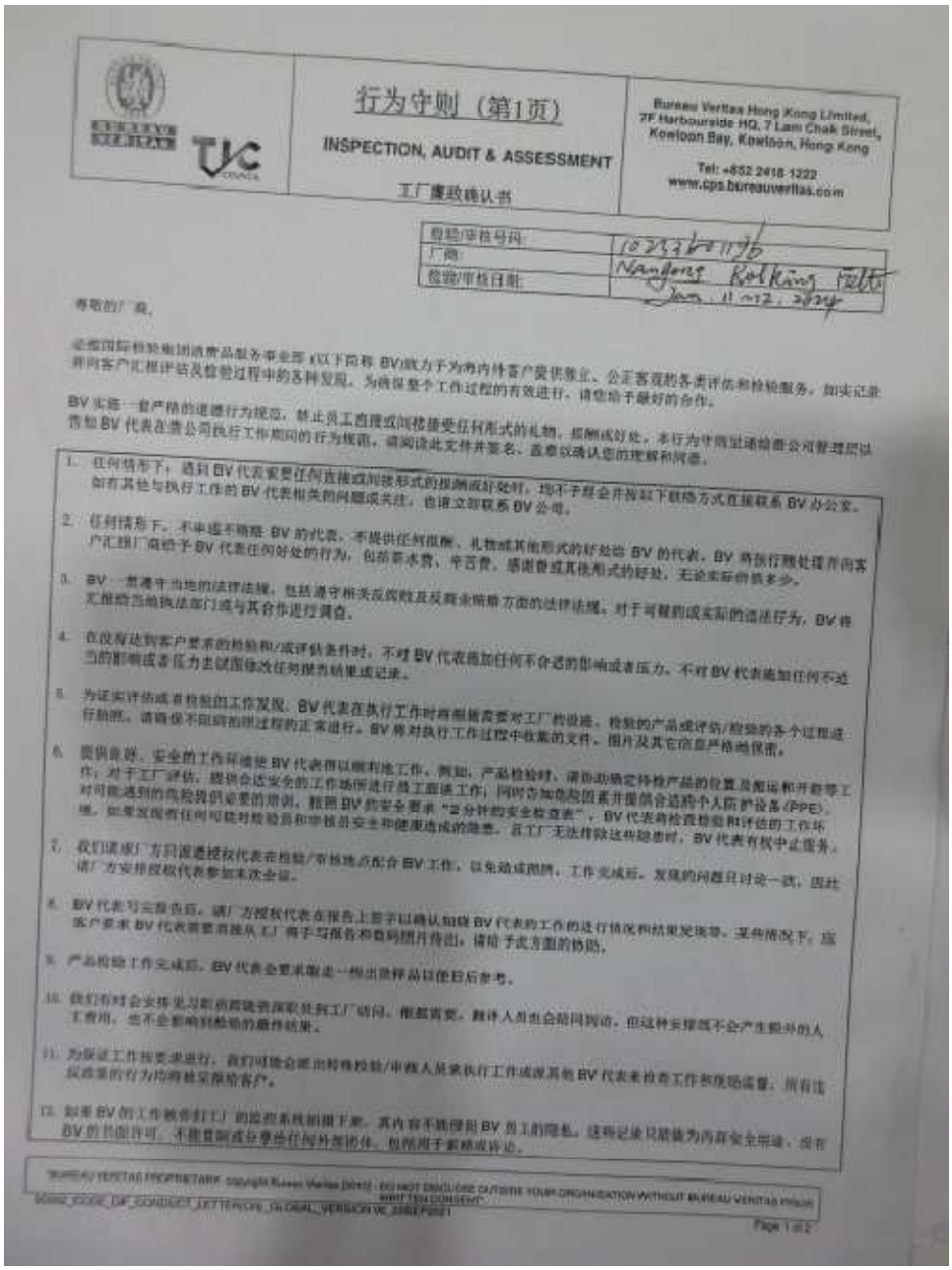
东莞市绿洲印刷有限公司 Kitty.Li — COMPANY CHOP — 24-Feb-01

Name & Signature of Supplier Representative/ Title — **Date**

Max/sales manager — COMPANY CHOP — 02-Jan-24

Name & Signature of Factory Representative/Title — **Date**

COC Signed and Chopped by Factory



行为守则（第1页）

INSPECTION, AUDIT & ASSESSMENT

工厂廉政确认书

Bureau Veritas Hong Kong Limited,
7F Harbourside HQ, 7 Lam Chak Street,
Kowloon Bay, Kowloon, Hong Kong
Tel: +852 2618 1222
www.cps.bureauveritas.com

检验/审核号码:	1023[illegible]1176
厂商:	Nanjong Rolking Fuzhi
检验/审核日期:	Jan. 11-12, 2024

尊敬的厂商，

1. 任何情形下，遇到 BV 代表索要任何直接或间接形式的报酬或好处时，均不予理会并按以下联络方式直接联系 BV 办公室。如有其他与执行工作的 BV 代表相关的问题或关注，也请立即联系 BV 公司。
2. 任何情形下，不申报不明确 BV 的代表，不提供任何报酬，礼物或其他形式的好处给 BV 的代表，BV 将执行既定程序向客户汇报厂商给予 BV 代表任何好处的行为，包括茶水费，午宴费，感谢费或其他形式的好处，无论实际价值多少。
3. BV 一贯遵守当地的法律法规，包括遵守相关反贪腐及反商业贿赂方面的法律法规。对于可疑的或实际的违法行为，BV 将汇报给当地执法部门或与其合作进行调查。
4. 在没有达到客户要求的检验和/或评估条件时，不对 BV 代表施加任何不合适的影响或者压力。不对 BV 代表施加任何不适当的影响或者压力去试图修改任何报告结果或记录。
5. 为证实评估或者检验的工作发现，BV 代表在执行工作时将根据需要对工厂的设施、检验的产品或评估/检验的各个过程进行拍照。请确保不阻碍拍照过程的正常进行。BV 将对执行工作过程中收集的文件、图片及其它信息严格地保密。
6. 提供良好、安全的工作环境使 BV 代表得以顺利地工作。例如，产品检验时，请协助确定待检产品的位置及搬运和开启等工作；对于工厂评估，提供合适安全的工作场所进行员工面谈工作；同时告知危险因素并提供合适的个人防护设备（PPE），对可能遇到的危险提供必要的培训，根据 BV 的安全要求 "2 分钟的安全检查表"，BV 代表将检查检验和评估的工作环境，如果发现有任何可能对检验员和审核员安全和健康造成的隐患，且工厂无法有效这些隐患时，BV 代表有权中止服务。
7. 我们请求厂方只派遣授权代表在检验/审核地点配合 BV 工作，以免妨碍团队工作完成后，发现的问题只讨论一次，因此请厂方安排授权代表参加末次会议。
8. BV 代表写完报告后，请厂方授权代表在报告上签字以确认知晓 BV 代表的工作的进行情况和结果发现等。某些情况下，应客户要求 BV 代表需要直接从工厂将电子写报告和查码照片传出，请给予此方面的协助。
9. 产品检验工作完成后，BV 代表会要求取走一些出货样品以便归后参考。
10. 我们有时会安排见习审核员跟随资深审核员到工厂访问。根据需要，翻译人员也会陪同访问，但这种安排既不会产生额外的人工费用，也不会影响到整场的最终结果。
11. 为保证工作按要求进行，我们可能会派出特殊检验/审核人员来执行工作或派其他 BV 代表来检查工作和现场监督，所有违反此条款的行为均将被呈报给客户。
12. 如果 BV 的工作被带到工厂 的监控系统前面下来，其内容不能侵犯 BV 员工的隐私，这些记录只能被为内部安全用途，没有 BV 的书面许可，不能复制或分享给任何外部团体，包括用于索赔或诉讼。

行为守则（第2页）

INSPECTION, AUDIT & ASSESSMENT

工厂建议确认书

Bureau Veritas Hong Kong Limited,
nr Harbourside HQ, 7 Lam Chak Street,
Kowloon Bay, Kowloon, Hong Kong

Tel: +852 2618 1222
www.cps.bureauveritas.com

第一部分：工厂声明（BV代表解释行为守则和企业工厂地址），

我们在此声明，已经收到BV的行为守则，并由BV代表 _____ 先生/女士于 2018.1.17 时间 3:00 向我们解释了其内容，我们已阅读和理解以上内容，以及调查BV要求提供的解释和目的，来执行工作的BV代表如下（包括工作过程中全程现场监督的人员）：

_____

工厂代表签名

_____

工厂代表联系电话

第二部分：工厂声明（工作完成后由工厂填写，如对本信息有疑问，可发送邮件至当地办公室或 ethics@hk.bureauveritas.com）

项目	请声明是否提供下列财务给 BV 代表 ✓	是	否	项目	请声明是否提供下列财务给 BV 代表 ✓	是	否
A	饭食	☐	☒	B	交通	☐	☒
C	住宿	☐	☒	D	金钱	☐	☒
E	礼物	☐	☒	F	其它财务	☐	☒
请说明免费或有偿提供财务处处的情况							
G	关于咨询公司的声明 ✓						
关于本次检验/审核，是否存在咨询公司联系贵公司？		☐	☒	请说明咨询公司的情况			
关于本次检验/审核，贵公司是否使用了咨询公司的服务？		☐	☒				

我们在此声明，以上信息是真实准确的，我们理解BV代表向客户或当地执法部门汇报贿赂或违规违法行为。

同时，BV 代表向我们解释了工作中发现的问题，并且我们认同这些问题。

_____

工厂代表签名

_____

工厂代表姓名和职位

_____

日期

关于此协议建议，请联系

Jamey Appler
副总裁兼消费品事业部
战略总顾问、风险及合规官

电话：+1 718 505 3562
电邮：jamey.appler@us.bureauveritas.com

CODE OF CONDUCT
(page 1)

INSPECTION, AUDIT & ASSESSMENT

Factory Integrity Acknowledgment

Bureau Veritas Hong Kong Limited,
7F Harbourside HQ, 7 Lam Chak Street,
Kowloon Bay, Kowloon, Hong Kong.

Tel: +852 2418 1222
www.cps.bureauveritas.com

Inspection / Audit No.:	
Factory / Supplier:	
Inspection / Audit Date:	

Dear Supplier,
Bureau Veritas, Consumer Products Services Division provides independent, impartial and objective assessment and inspection services for our global clientele. Our assessment and/or inspection findings will be duly recorded and reported to our clients. We request your cooperation to enable us to effectively execute this process.

We operate a strict Code of Ethics, which prohibits the direct or indirect acceptance of gifts, payment or benefit in any form. This Code of Conduct letter is presented to the management of your facility for the purpose of setting out acceptable conduct whilst our representatives perform their job at your facility. We ask that you read this document and sign it to confirm your understanding and agreement.

1. Never, under any circumstances, give in to demands or requests for benefits or payments from a BV representative. If a BV representative asks for any direct or indirect benefit, you must contact the BV office or the contact details below. You must also contact BV immediately for any other issues or concerns on the BV representative/s assigned for the service.

2. Never, under any circumstances, collude or offer a facilitation payment, bribe, gift or any other benefit to a BV representative. Any benefit given to a BV representative will be construed as a corrupt practice and will be reported to our client. This includes "tea money", "hardship appreciation", or any other benefits regardless of the actual value.

3. BV is committed to fully complying with local laws and regulations, including such on anti-corruption and bribery. Where appropriate, BV will not hesitate to alert or cooperate with law enforcement authorities on suspected or actual offenses.

4. Do not put any undue pressure on our representatives to execute their work if conditions stipulated by the client are not met. Also, do not put any undue pressure on our representatives to amend the results or recording of their findings.

5. During the work execution, our representatives may be required to take photos of the factory facilities, products being inspected or assessment/inspection processes in order to validate findings. Please ensure this process is not obstructed. Documents, pictures, or any other information gathered during the course of the BV service will be kept confidential.

6. Provide a safe environment that allows BV representatives to do their job properly. This may mean assistance with locating, moving and opening cartons for inspections and arranging a private and suitable place for audits. It also means pointing out any safety hazards, and providing appropriate personal protective equipment and necessary training regarding any risk that may be encountered. BV representatives will check the working environment in accordance with BV's safety requirements in the "2 Minutes for my safety assessment form". In case potential risks are identified, which may jeopardize auditors' and inspectors' health or safety, they have the right to discontinue the services if you cannot eliminate such risks.

7. We require factory to assign only authorized personnel to be present in the inspection / audit room to coordinate during BV services, so that there is no overcrowding. After completion of the service, the findings will be discussed only once and therefore factory should arrange their authorized personnel to be present during the closing meeting.

8. We require only authorized factory representative to sign the report prepared by our representatives to acknowledge the execution of their work and findings.

9. In some cases we are asked by client to submit hand written reports and digital images from the factory and would request that our representatives use your facilities. With regards to inspections, our representatives will request to take shipment samples for verification.

10. Trainee(s) may accompany senior inspectors /auditors on the visit to your factory. If needed, an interpreter may also accompany the BV representative. Their presence will neither result in additional charges to you, nor affect the final results.

11. To ensure that services are performed in compliance to the requirements, we may send mystery inspectors/auditors to perform services or other BV representatives to perform surprise checks, onsite observations and report to our client any deviations or breach of the policy.

BUREAU VERITAS / TIC COUNCIL	**CODE OF CONDUCT (page 2)** **INSPECTION, AUDIT & ASSESSMENT** **Factory Integrity Acknowledgment**	**Bureau Veritas Hong Kong Limited, 7F Harbourside HQ, 7 Lam Chak Street, Kowloon Bay, Kowloon, Hong Kong.** **Tel: +852 2418 1222** **www.cps.bureauveritas.com**

12. If the BV Inspection service is being filmed on any surveillance camera in your factory, the recording should not infringe the privacy rights of the BV employee/s. The recording should only be used for internal security purposes, and shall not be reproduced or shared with any external party, including to support any claim or litigation, without the written consent of Bureau Veritas.

PART 1: Factory declaration (To be filled by the factory once BV COC is explained by the BV staff).

We confirm that we received the BV Code of Conduct and that the contents were explained by the BV representative, Mr. / Ms. _____on __DDMMYY___at __HH:MM___ and we understand the contents, spirit and intent of the BV procedure on Integrity. The following BV representatives were present during the service (including onsite observers present full time during the service):
_____.

Signature of Factory Representative **Factory Representative's contact number**

PART 2: Factory declaration (To be filled by the factory after completion of the service. In case there is anything to declare confidentially, specific details can be sent directly to ethics@hk.bureauveritas.com).

Item	Please declare if benefits were offered to the BV staff ✓	Yes	No	Item	Please declare if benefits were offered to the BV staff ✓	Yes	No
A	Meals	☐	☐	B	Transportation	☐	☐
C	Accommodation	☐	☐	D	Money	☐	☐
E	Gifts	☐	☐	F	Other Benefits/Favors	☐	☐
Explain details of free or subsidized benefits offered							
G	Please declare about use/role of consultants ✓	Yes	No	Explain details of the consultant			
Were you contacted by a consultant for this inspection/audit?		☐	☐	If yes, please specify when, who and why.			
Have you used a consultant's services for this inspection/audit?		☐	☐	If yes, please specify when, who and why.			

We acknowledge that the above information is true and accurate. We understand that BV could and will report to program clients and/or law enforcement authorities any suspected improprieties or illegal activities. ☐

We also acknowledge that the BV representative/s explained the findings of the service and we agree with it. ☐

Signature of Factory Representative **Name and Designation**

Date and Time

Company Chop

Please contact the following to make any complaints or suggestions:

Complaints mailbox: Ethics@bureauveritas.com

Jamey Appler
Vice President & CPS General Counsel,
Risk and Compliance Officer

Tel: +1 716 505 3582
Email: jamey.appler@bureauveritas.com