

Supplier Workplace Accountability (SWA) Assessment

Facility Information	Assessment Information
Facility: Hua Wei Metal Handicraft Co.,Ltd.	Report No.: 2017-07-A03622
Address: Yongye Road, Yinan, Yongning Industrial Zone, Xiaolan Town, Zhongshan City, Guangdong (广东) 528415 China (中国)	Assessment Type: Comprehensive
Company ID: CMPY-077535	Audit Start Date: 26-Jul-2017
Primary Contact: Tony Wang	Audit End Date: 26-Jul-2017
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	Auditor(s): Mabel Llang, Nico Liu

Amber

Number of Non-Compliance

7

	Red	Amber	Yellow	Green*	Total # of Non-Compliance
Start Time, Man Day 1: 8:55					
End Time, Man Day 1: 16:30					
Start Time, Man Day 2: 8:55					
End Time, Man Day 2: 16:30					
Business Integrity					
Human Rights		2			2
Workplace Environment		2	1		3
Management Systems			1		1
Environmental Management		1			1
Current Audit		5	2		7

*verified as corrected in re-audit

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

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

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

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

Supplier Workplace Accountability Assessment

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

Non-Compliance Details

Environmental Management - Environmental Legal Compliance:

A

Findings:

Based on document review and confirmed with factory management, the factory did not conduct EIA nor obtain EIA approval from environmental authority.

工厂未进行环境影响评估及未获得相关批复.

Law or Customer Expectation:

Law of the People's Republic of China on the Environmental Impact Assessment (2002), Article 16

The state practices classified management over the appraisals of the environmental impacts of construction projects according to the seriousness of the impacts.

The construction entities shall work out the report of environmental impacts, the report form of environmental impacts or the registration form of environmental impacts...

中华人民共和国环境影响评价法（2002）第十六条

国家根据建设项目对环境的影响程度，对建设项目的环境影响评价实行分类管理。

建设单位应当按照下列规定组织编制环境影响报告书、环境影响报告表或者填报环境影响登记

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Findings:

Social insurance was not provided to all employees.

Based on social insurance receipt, register of Jun, 2017, the factory only provided five social insurances (retirement, unemployment, medical, maternity and accident insurance) for 49 out of 96 employees in the factory.

工厂未给部分员工购买社保。

根据工厂提供的2017年6月的社保购买记录,工厂仅为49名员工购买了5种社保。工厂目前共有96人,1名员工入职不超过一个月。

Law or Customer Expectation:

Labor Law of the People's Republic of China (1994),

Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and an overall pooling of insurance funds from the society shall be introduced step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law.

Article 73, Laborers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances:

1. Retirement;
2. Illness or injury;
3. Disability caused by work-related injury or occupational disease;
4. Unemployment; and
5. Child-bearing.

中华人民共和国劳动法 (1994)

第七十二条 社会保险基金按照保险类型确定资金来源,逐步实行社会统筹。用人单位和劳动者必须依法参加社会保险,缴纳社会保险费。

第七十三条 劳动者在下列情形下,依法享受社会保险待遇:

- (一) 退休;
- (二) 患病、负伤;
- (三) 因工伤残或者患职业病;
- (四) 失业;
- (五) 生育。

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Findings:

Monthly overtime hours exceeded 36 hours.

1) Five (5) out of five (5) sampled workers conducted monthly overtime between 56-94 hours during Dec. 2016

2) Four (4) out of five (5) sampled workers conducted monthly overtime between 46-86 hours during Mar 2017

3) Nine (9) out of ten (10) sampled workers conducted monthly overtime between 38-74 hours during Jun 2017.

工人的月加班时间超出法规要求。

Law or Customer Expectation:

Labor Law of the People's Republic of China (1994), Article 41

The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty six hours.

中华人民共和国劳动法（1994）第四十一条

用人单位由于生产经营需要，经与工会和劳动者协商后可以延长工作时间，一般每日不得超过一小时；因特殊原因需要延长工作时间的，在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时，但是每月不得超过三十六小时。

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Findings:

The factory did not install safety guards for the foot switches of 3 punching machines; and did not install safety guards for the plunger chips of 2 punching machine.

冲压车间3台冲床未安装脚踏开关护罩, 2台冲床未安装冲头护罩.

Law or Customer Expectation:

General Rules of Design on Health and Safety of Production Facility (GB 5083-1999), Article 6.1.2
Necessary safeguard shall be installed for all moving parts that are accessible to the operator during machine operation.

生产设备安全卫生设计总则 (GB 5083-1999) 第6.1.2条

对操作人员在设备运行时可能触及的可动零部件, 必须配置必要的安全防护装置。

A

Findings:

The facility did not conduct air quality test for the painting workshop and polishing workshop.

工厂未对对上色车间及抛光车间进行空气质量测试.

Law or Customer Expectation:

Law of the People's Republic of China on Prevention and Control of Occupational Diseases (2011 Amendment), Article 27

The employer shall designate special persons responsible for the daily monitoring of occupational disease hazard factors and ensure the normal operation of the monitoring system.

The employer shall, according to the provisions of the work safety administrative department of the State Council, conduct regular tests and evaluations of the occupational disease hazard factors at its work sites. The results of such tests and evaluations shall be entered into the occupational health archives of the employer and, on a regular basis, be reported to the local work safety administrative department and disclosed to its employees.

中华人民共和国职业病防治法（2011修正）第二十七条

用人单位应当实施由专人负责的职业病危害因素日常监测，并确保监测系统处于正常运行状态。

用人单位应当按照国务院安全生产监督管理部门的规定，定期对工作场所进行职业病危害因素检测、评价。检测、评价结果存入用人单位职业卫生档案，定期向所在地安全生产监督管理部门报告并向劳动者公布。

Y

Findings:

The facility did not establish well developed Working Hour Control Management System to control working hours fully in compliance with legal requirement, lack of effective monitoring.

工厂没有完善的管理体系来确保员工的工作时间完全符合法规要求，缺乏有效的内部监控。

Law or Customer Expectation:

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

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

客户期望：

工厂应建立工作时间管理体系（规定，监督和控制加班时间时间）并涵盖以下要素：书面政策与程序，易于工人理解的沟通与培训，监控和管理（内部核查）。

Y

Findings:

The facility did not conduct noise level test for the punching workshop.
工厂未对冲压车间进行噪声测试。

Law or Customer Expectation:

Law of the People's Republic of China on Prevention and Control of Occupational Diseases (2011 Amendment),
Article 27

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用人单位应当实施由专人负责的职业病危害因素日常监测，并确保监测系统处于正常运行状态。

用人单位应当按照国务院安全生产监督管理部门的规定，定期对工作场所进行职业病危害因素检测、评价。检测、评价结果存入用人单位职业卫生档案，定期向所在地安全生产监督管理部门报告并向劳动者公布。