

# INTERNATIONAL COMPLIANCE AUDITS

## Social Checklist

Client Specific Findings	
LOJ1.01	All legally required building or construction certificates/reports/permits are current and available for review.
LOJ1.02	The facility maintains all fire safety certificates, licenses and inspection records as legally required.
LOJ1.03	The facility provides legally mandated social insurance or commercial insurance (if applicable) to all eligible workers. (<50% coverage)
LOJ1.04	The facility does not "Coach" employees to provide false or misleading responses to questions asked by assessor(s).
LOJ1.05	Employees retain possession or control of all original identity documents, such as passports, identity papers, travel documents and other personal legal documents. (Exception: Documents stored for safekeeping with explicit consent from employee and the facility has a system allowing the employee and the facility has a system allowing the employee to retrieve their documents at any time without restrictions.)
1. Transparency & Business Integrity	
1.01	The facility allows assessor(s) full access to its facility premises, workers, and records.
1.02	The facility has a valid, current business license and other documents required for legal operation.
1.03	The facility does not attempt to bribe assessor(s) including offering any form of monetary compensation, gifts or favors.
1.04	The factory provides accurate and true payroll documents and time attendance records for review.
2. Hiring, Disciplinary & Termination	
2.01	Employment contracts are signed with all employees where legally required.
2.02	The facility ensures that all employees receive a copy of the employment contract, signed by The facility, at the time of the employee's signature.
3. Young Worker & Child Labor	
3.01	There is no employee employed by supplier currently below the age of fifteen (15) or in breach of local minimum age for work or mandatory schooling.

3.02	There is no employee employed by supplier historically below the age of fifteen (15) or in breach of local minimum age for work or mandatory schooling at time of employment.
3.03	The facility reviews, validates and maintains on file proof of the age documentation and other relevant employment information for all employee.
3.04	The facility has a system for identifying work stations and operations that are inappropriate for young workers according to applicable laws. The facility ensures juvenile workers do not perform work that jeopardizes their health, safety, or morals (as defined by law/ILO Conventions 138 and 182)
3.05	The facility complies with working hours and overtime hours restrictions for juveniles required by law.
3.06	Where required by law, The facility provides health examinations for juvenile workers prior to employment and / or on a regular basis after employment; registers and pays any expenses associated with registering juvenile workers with the local authorities.
<b>4. Forced Labor</b>	
4.01	The facility does not use any type of involuntary labor who are trafficked, prisoned (not in compliance with ILO Convention 29), bonded, or indentured, either at the facility itself, or a broker.
4.02	The employees have the right to enter into and to terminate their employment freely without being penalized financially, the threat of physical or mental coercion or facing unlawful notice periods.
4.03	The facility avoids collecting monetary deposits as a condition of employment unless the fees are allowed by applicable laws and regulations.
4.04	The facility does not bind employee to employment as a condition of fulfilling terms of a debt to a third party or to The facility. Personal loans to employees or job seekers under circumstances where repayment terms could be construed as debt bondage or forced labor are prohibited.
4.05	All overtime shall be voluntary. The facility ensures that all employees have the right to refuse to work overtime hours.
<b>5. Harassment &amp; Abuse</b>	
5.01	The facility does not engage in or support for any reason the use of corporal punishment, mental or physical coercion and verbal abuse including but not limited to threats of violence and sexual harassment.
5.02	The facility does not use any form of – or threat of – physical violence, including slaps, pushes or other forms of physical contact as a means to

	maintain labor discipline.
5.03	Security practices shall be gender-appropriate and non-intrusive; Body searches, if conducted, are not conducted by the opposite gender.
<b>6. Discrimination</b>	
6.01	All employment decisions including but not limited to: hiring, job assignment, wages, bonuses, allowances, and other forms of compensation, promotion, discipline, assignment of work, termination of employment, and provision of retirement, shall be made solely based on education, training, and demonstrated skills or abilities. The characteristics of an individual, such as race, gender, marital status, and religion shall not be the basis for such employment decisions.
6.02	Employees receive equal pay for equal work regardless of gender, race, religion, age, disability, sexual orientation, nationality, marital status, political opinion, social group or ethnic origin.
6.03	Employees have the equal opportunity for promotion, training, termination and retirement based on their ability and not on personal characteristics and
6.04	The facility does not use medical examinations to prevent an employee from being hired or as a condition of employment; the medical examinations including but not limited to Hepatitis B, HIV or other tests prohibited by law.
6.05	The facility does not require pregnancy testing or questioning of pregnancy as a condition of employment.
6.06	The facility does not, based on a woman's pregnancy, make decisions that result in dismissal, threat to dismiss, loss of seniority, or deduction of wages.
6.07	The facility ensures that pregnant women are not engaged in work that creates substantial risk to the health of the pregnant woman or their reproductive
<b>7. Freedom of Association &amp; Grievance</b>	
7.01	The facility respects the right of employees to freedom of association and collective bargaining. No employee shall be subject to harassment, intimidation, or retaliation in their efforts to freely associate or bargain collectively.
7.02	The facility does not discriminate against union members by refusing to hire them or by terminating employees based on legal union affiliation or organizing efforts.
7.03	Where a collective bargaining agreement (CBA) in place, The facility adheres to the legal terms of the agreement. The collective bargaining agreement

	(CBA) should be negotiated freely, voluntarily and in good faith.
7.04	The facility has multiple grievance mechanisms such as a confidential means to voice grievances as well as access to someone other than their direct supervisor. This might include suggestion boxes, hotlines, email, workers committees, designated spaces for worker meetings, and meetings between management
<b>8. Foreign Migrant Labor (Only applicable to facility who use foreign migrant employees)</b>	
8.01	The facility has valid documents from local authority for permission to employ foreign migrant employees as required by law.
8.02	The facility ensures all foreign migrant employees are legally eligible to work in the country with valid work permits when required.
8.03	Upon foreign migrant workers resignation, departure, or termination, The facility pays to the employee any wages, benefits, or other items owed to the employee; at the same time, ensures his or her return to the home country without penalty. If required by law, The facility pays for all travel costs for returning to their home countries.
<b>9. Wages &amp; Benefits</b>	
9.01	The facility ensures that all legally required payroll documents, journals and reports are available, complete, accurate and up-to date. These records should be maintained by employer for at least 12 months, or longer if required by law.
9.02	The facility ensures that wages paid for regular worked hours are at least legal minimum wage or industry wage agreed within a collective bargaining agreement (CBA) whichever is higher.
9.03	Employees are correctly paid for all overtime hours (OT) at a premium rate as legally required or by contractual agreement whichever is higher.
9.04	All compensation shall be paid in a timely manner within legally defined time limits. When no time limits are defined by law, compensation shall be paid at least within thirty days.
<b>10. Hours of Work</b>	
10.01	The facility maintains complete and accurate time attendance records for each employee for at least 12 months, or longer if required by law.
10.02	The overtime hours for all employees are within allowable limits under applicable laws or agreements whichever is stricter.
10.03	All employees are provided with at least one day off (24 hours) in every 7-day

	period or as required by applicable law whichever is stricter.
10.04	The facility uses a reliable system to keep accurate and complete time records. (Start and stop times and all working hours, including overtime, are accurately recorded.)
<b>11. Health &amp; Safety</b>	
<b>11.1 General Work Environment</b>	
11.1.01	Stairways shall have handrails and be well lit.
<b>11.2 Building Safety</b>	
11.2.01	There are no indications of possible structural collapse on the interior or exterior of buildings, such as large visible cracks or sagging in walls and floors.
11.2.02	Generators and other heavy vibrating equipment, such as boilers, are located on the ground floor and located away from production areas.
<b>11.3 Emergency Preparedness</b>	
11.3.01	Emergency alarm system is audible throughout the entire facility. The system is inspected regularly and tested in coordination with fire drills.
11.3.02	Fire extinguishers shall be sufficient in numbers as legally required.
11.3.03	There are sufficient numbers of emergency exits at the facility (production floors, office areas, warehouse etc.).
11.3.04	Emergency exits are clearly marked with illuminated exit signs.
11.3.05	Emergency lighting, with backup power, is included in all stairways, and where needed, on exit routes. The lighting is industry grade and inspected regularly.
11.3.06	Emergency exits are accessible and free from obstruction during working hours (including overtime).
11.3.07	Emergency exits are unlocked during working hours (including overtime).
11.3.08	Fire escape and main exits are discharged directly to the exterior of building.
11.3.09	Aisles, stairs and passageways are kept clear at all times.
11.3.10	Exits, aisles, passageways and stairs are with enough width as per legal requirements.
11.3.11	Stairways and emergency evacuation routes are equipped with handrails to protect employee from falling, as per legal requirements, where needed.
<b>11.4 Chemical &amp; Hazardous Substances</b>	
11.4.01	Chemicals and hazardous substances are stored in a separate covered area that is equipped with appropriate fire extinguishers, safety signs, ventilation, anti-
11.4.02	Flammable and combustible material and chemicals are safely stored away from

	source of ignitions.
11.4.03	Gas cylinders are properly marked, used, inspected, stored, and secured.
<b>11.5 Employee Protection &amp; Machine Safety</b>	
11.5.01	There are job safety analyses and / or job hazard assessments that outline work place risks for each position and the possible Personal Protective Equipment (PPE) needed to mitigate risks.
11.5.02	Specialized Machinery and equipment have all required and up-to-date licenses / permits (forklift, cargo lift, boiler, compressor etc.)
11.5.03	Specialized equipment operators (forklift, cargo lift, boiler, electrician, hot work e.g. welding etc.) are licensed where legally required and trained in safety operating procedures.
11.5.04	Points of operation and other potential dangerous parts are operated with proper machine guards and safety features.
<b>11.6 Electrical Safety</b>	
11.6.01	Machinery and equipment are grounded.
11.6.02	Electrical wires and outlets are in safe conditions (e.g. no unprotected wires, etc.).
<b>11.7 First Aid / Medical</b>	
11.7.01	The facility places at least one well-stocked first aid kit on every floor. One stocked first aid kit shall be made available for every 100 workers or as legally required.
<b>11.8 Dormitory (If applicable)</b>	
11.8.01	Dormitories are separated from production buildings and warehouses as legally required.
11.8.02	Fire extinguishers are placed in or accessible to all sleeping quarters. Fire extinguishers otherwise comply with requirements in H&S section above.
11.8.03	There are sufficient numbers of emergency exits on each dormitory floor as legally required.
11.8.04	Emergency exits, hallways and staircases are kept clear of obstructions to allow for safe and rapid evacuation in case of emergency.
<b>12. Environment</b>	
12.01	Valid licenses and/or certificates, if required by local law, have been obtained, kept and maintained. (Such as Environmental Impact appraisal documents, Approval of environmental impact appraisal documents, Air Emission permit, etc.)

12.02	Energy use from all sources have been tracked and measured, relevant records have been maintained.
12.03	Greenhouse gas ( GHG ) emissions have been monitored and measured by national or international GHS calculation methodology.
12.04	Baselines for energy use and Greenhouse gas ( GHG ) emissions have been set, actions have been taken to improve energy use and GHS emission.
12.05	Air emissions have been identified, characterized, routinely monitored, controlled, and treated prior to discharge, meet the discharge limits for regulated constituents.
12.06	Waste water are properly treated to meet discharge standards / limits as legally required; If wastewater is produced but treated off-site, relevant manifests and records are maintained.
12.07	An effective waste management program have been established, to ensure wastes ( such as cutting waste, fabrics / fibers, etc) separated by types and recycled by their natures.
12.08	Hazardous wastes are separated from general waste and are appropriately handled and disposed of as legally required.
12.09	Chemicals have been selected and purchased based on their hazards and MRSL / RSL requirements from customers.

# INTERNATIONAL COMPLIANCE AUDITS

## Environmental Checklist

1. Permit	
1.1	The facility shall obtain, keep and maintain valid licenses and/or certificates, if required by local law.
1.2	The facility shall not receive any government-issued environmental violation records in the past years?
2. Environmental Management System (EMS)	
2.1	The factory shall establish a documented environmental policy that guides effective management on environmental?
2.2	The facility shall establish and implement a documented environmental objectives and targets, which shall be measurable and in consistent with applicable legal requirements?
2.3	The facility shall establish and implement documented procedures for environmental management, maintain relevant records to prove the procedure are well maintained.
2.4	The facility shall conduct regular review to evaluate the effectiveness of environmental management system.
2.5	The facility shall take corrective and preventive actions for any nonconformities based on proper root cause analysis.
2.6	The facility shall establish training schedule and conduct training accordingly to promote employees' awareness of environmental management.
3. Energy&GHS	
3.1	The facility shall track and measure energy use from all sources.
3.2	The facility shall monitor or calculate energy use and/or greenhouse gas ( GHG ) emissions to set baseline?
3.3	The facility shall take actions to improve energy consumption compared with its baseline?
4. Water	
4.1	The facility shall track and measure water use in their processes.
4.2	The facility shall monitor or calculate water use to set a baseline.
4.3	The facility shall take actions to improve water use compared with its baseline?
5. Wastewater	
5.1	There is no evidence that the facility discharges and/leak their wastewater into bodies of water such as streams, rivers, ponds, oceans and other nature areas, such as field, desert, and well?
5.2	The facility shall establish procedures to manage wastewater/wastewater discharges.



5.3	The facility shall track its wastewater volume. (Industrial/Domestic/Combined)
5.4	The facility shall collect wastewater generated in processes into a wastewater treatment plant.
5.5	The facility shall monitor the wastewater index before the effluent going into the wastewater treatment plant/equipment, if applicable, to ensure the index not more than the design requirement of wastewater treatment plant/equipment.
5.6	The facility shall ensure the wastewater treatment process align with the design document of wastewater treatment plant.
5.7	The facility shall monitor the parameters of wastewater treatment plant/equipment to ensure well running.
5.8	The facility shall regularly maintain and check the equipment in the wastewater treatment plant/equipment and the maintenance records shall be kept.
5.9	The facility shall monitor the wastewater index before discharge to ensure the discharging water meeting the limits or the limits set on ZDHC Wastewater Requirements.
5.10	The facility shall regularly calibrate the inspection equipment for testing.
5.11	The hazardous / non-hazardous sludge shall be treated properly or in compliance with local legal requirements.

## 6. Air Emissions

6.1	The facility shall calculate the air emission that result from production processes and other processes.
6.2	The facility shall have control devices or abatement processes for on-site emissions to air.
6.3	The facility shall ensure the treatment for air emission are well set up, running and maintained.
6.4	The facility shall monitor the indicators of air emissions to meet the local legal standards.

## 7. Wastes

7.1	The facility shall establish and implement documented policies and procedures to manage waste generation, collection, segregation, storage, leaks/spill response, transportation and disposal.
7.2	The facility shall identify the different types of waste that it generates, store them separately and track them.
7.3	The facility shall designate an area that is well-marked, anti-leakage, well-sheltered to store hazardous wastes.
7.4	The facility shall use authorized subcontractors to collect, transfer, and treat the hazardous wastes in compliance with legal requirements.
7.5	The facility shall have a plan on waste reduction with clear targets and the plan is reviewed.

7.6	The facility shall take actions to reduce waste quantity or improve type of treatment?
<b>8. Boundary Noise</b>	
8.1	The facility shall identify, control, monitor, and reduce noise generated by the facility that affects boundary noise levels.
8.2	The boundary noise testing report shall be kept.
<b>9. Chemicals</b>	
9.1	The facility shall establish a chemical management system to manage their chemical used.
9.2	The facility shall have an independent chemical warehouse and/or proper temporary chemical warehouse to store chemicals.
9.3	The chemical warehouse shall be equipped with proper fire equipment according to the property of chemical materials.
9.4	The facility shall have chemical hazard signage in compliance with legal requirements or the requirements of Globally Harmonized System (GHS) and safe handling equipment in the areas of the facility where chemicals are used?
9.5	The chemicals shall be stored so as to prevent contact among incompatible materials to avoid cross contamination or fire or explosive.
9.6	The storage containers for chemicals are in good condition, correct for their property, closed and clearly labeled with content and date.
9.7	The floor in chemical warehouse or storage area shall be solid and non-porous, there are no water drains that the liquid could spill into, and there is no evidence of spilled liquid.
9.8	The facility shall have an inventory of chemicals used and the suppliers of each chemical product?
9.9	The facility shall maintain Safety Data Sheets (SDS) or Technical Data Sheets (TDS) for all chemicals used and stored to employees.
9.10	The Safety Data Sheets (SDS) or Technical Data Sheet(TDS) shall be complete and in a language workers understand.
9.11	The facility shall train all employees who use chemicals on chemical hazards, risk, proper handling, etc.
9.12	The facility shall establish an emergency response plan for chemical spill or leakage and practice it periodically.
9.13	The facility shall select and purchase chemicals based on their hazards and MRSL / RSL requirements from customers?
9.14	The facility shall dispose properly of chemicals that are found to be unsafe or no longer needed.
<b>10. Social Compliance</b>	

10.1	The facility does not attempt to bribe assessor(s) including offering any form of monetary compensation, gifts or favors.
10.2	The factory provides accurate and true payroll documents and time attendance records for review.
10.3	There is no person working in the facility currently below the age of fifteen (15) or in breach of local minimum age for work or mandatory schooling.
10.4	The facility does not use any type of involuntary labor who are trafficked, prisoned (not in compliance with ILO Convention 29), bonded, or indentured, either at the facility itself, or a broker.
10.5	All employment decisions including but not limited to: hiring, job assignment, wages, bonuses, allowances, and other forms of compensation, promotion, discipline, assignment of work, termination of employment, and provision of retirement, shall be made solely based on education, training, and demonstrated skills or abilities. The characteristics of an individual, such as race, gender, marital status, and religion shall not be the basis for such employment decisions.
10.6	The facility does not engage in or support for any reason the use of corporal punishment, mental or physical coercion and verbal abuse including but not limited to threats of violence and sexual harassment.
10.7	The facility ensures that wages paid for regular worked hours are at least legal minimum wage or industry wage agreed within a collective bargaining agreement (CBA) whichever is higher.
10.8	Employees are correctly paid for all overtime hours (OT) at a premium rate as legally required or by contractual agreement whichever is higher.
10.9	The overtime hours for all employees are within allowable limits under applicable laws or agreements whichever is stricter.
10.10	All employees are provided with at least one day off (24 hours) in every 7-day period or as required by applicable law whichever is stricter.