



# SMETA Corrective Action Plan Report (CAPR)

Version 6.1



**Audit Details**

Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 405309895	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 405469776
Business name (Company name):	NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD		
Site name:	NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD 宁波龙腾户外用品有限公司		
Site address: <i>(Please include full address)</i>	1 # & 2 #, No.488 North Tongyuan Road, Luotuo Street, Zhenhai District, Ningbo City, Zhejiang Province 浙江省宁波市镇海区骆驼街道通园北路 488 号 1 幢、2 幢	Country:	China
Site contact and job title:	Mr. Wu Lanfeng/ Administration manager		
Site phone:	86-0574-86562750	Site e-mail:	Sales7@nbwideway.cn
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	Feb 25,2023		

**Audit Company Name & Logo:**

Benchmarks Co., Ltd.  
(APSCA Audit Firm No.: 11600027)



**Report Owner (payer):**

NINGBO LONGTENG OUTDOOR PRODUCTS CO., LTD

**Audit Conducted By**

Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

## Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

### **2-Pillar SMETA Audit**

- ETI Base Code
- SMETA Additions
  - Universal rights covering UNGP
  - Management systems and code implementation,
  - Responsible Recruitment
  - Entitlement to Work & Immigration,
  - Sub-Contracting and Home working,

### **4-Pillar SMETA**

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

## SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size):

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Tink Ding (CSCA21705532)

Team auditor: Gary Hong (ASCA 32200439)

Interviewers: Tink Ding (CSCA21705532) / Gary Hong (ASCA 32200439)

Report writer: Gary Hong (ASCA 32200439)

Report reviewer: Kathryn Wu

Date of declaration: Feb 25, 2023

*Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.*

*This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.*

## Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 10:00 Day 1 Time out: 17:00	Day 2 Time in: Day 2 Time out:	Day 3 Time in: Day 3 Time out:
B: Number of auditor days used:	1.5MD (2 auditors X 0.75 days)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:    weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Wu Lanfeng/ Administration manager		
H: Is further information available (if yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	Jan 8, 2022		
J: Previous audit type:	Annual audit		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	N/A		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	There was no union representative in the factory.		



## Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

### Root cause (see column 4)

**Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.**

**See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".**

### Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site [www.sedexglobal.com](http://www.sedexglobal.com).
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit [www.sedexglobal.com](http://www.sedexglobal.com) web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

## Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90,180, 365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
NC1 Health & Safety	Carried Over	Lack of fire-fighting acceptance certificate or register certificate. There were one 4-storey building and two 2-storey buildings as production areas and office, the total area was about 5350m2, the factory didn't provide fire-fighting acceptance certificates or register certificates for the above buildings. 工厂有 1 幢 4 层、2 幢 2 层建筑用作生产区及办公室，总面积约 5350 平米，工厂未提供上述建筑的消防验收报告或备案。	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should provide fire-fighting acceptance certificates or register certificates for all the buildings. 工厂应该提供所有建筑的消防验收报告或备案。	30days	Desktop	Mr. Wu Lanfeng/ Administration manager		
NC2 Health & Safety	Carried Over	Lack of building acceptance certificate or record. There were one 4-storey building and two 2-storey buildings as production areas and office, the total area was about 5350m2, the factory didn't provide building acceptance certificates or records for the above buildings. 工厂有 1 幢 4 层、2 幢 2 层建筑用作生产区及办公室，总面积约 5350 平米，工厂未提供上述建筑的竣工验收报告或备案。	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should provide building acceptance certificates or records for all the buildings. 工厂应该提供所有建筑的竣工验收报告或备案。	30days	Desktop	Mr. Wu Lanfeng/ Administration manager		
NC3	New	Based on onsite observation, it was noted that one worker	<input type="checkbox"/> Training	The factory should	30day	Desktop	Mr. Wu		



Health & Safety		working in mixing material workshop did not wear the provided earplugs. 根据现场审核，混料车间的 1 名员工没有佩戴提供的耳塞	<input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	supervise and train the employees on properly wearing PPE. 工厂应监督、教育员工正确使用劳保用品	s		Lanfeng/ Administration manager		
NC4 Wages & Benefits	Carried Over	The factory didn't provide social insurance for all workers as local regulatory requirements. Based on document review, the factory had 32 employees, the factory bought retirement insurance, medical insurance, unemployment insurance, maternity insurance and injury insurance for 26 employees, didn't provide insurance for the other employees. 根据文件审核，工厂总共有 32 名员工，工厂为其中的 26 人缴纳了养老、医疗、生育、失业及工伤保险，没有为其余员工缴纳保险。	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should provide social insurance to all employees who were required by legal requirements. 工厂应该按法规要求为所有的员工缴纳社保。	120 days	Desktop	Mr. Wu Lanfeng/ Administration manager		
NC 5 Working Hours	Carried Over	Based on document review, it was noted that sampled employees worked in excess of the statutory overtime hour limits. A review of attendance records of Jan 2023, Oct 2022 and April 2022 yielded the following: (1) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 70 hours) in Oct 2022. (2) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 64 hours) in April 2022. 经文件审查发现，抽样员工的工作时间超过了法定加班时间限制。对 2023 年 1 月、2022 年 10 月和 2022 年 4 月的考勤记录进行的审查得出以下结果：（1）在 2022 年 10 月份，10 名抽样员工中有 10 名每月加班时间超过 36 小时（即最多 70 小时）。（2）2022 年 4 月，10 名抽样员工中有 10 名每月加班时间超过 36 小时（即最多 64 小时）。	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should ensure the workers monthly overtime hours comply with the local requirements. 工厂应确保员工的月加班时间符合法规要求。	60 days	Follow up	Mr. Wu Lanfeng/ Administration manager		
NC 6 Working Conditions are Safe and Hygienic	New	Based on onsite observation, one electricity box in finished goods warehouse was not locked, no inner cover was installed and electric wires were exposed. 根据现场审核，成品仓库的一个电箱未上锁，未安装内盖，电线裸露	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should lock all the electricity boxes or install inner covers for them. 工厂应当增加内绝缘盖或对所有电箱上锁	30 days	Desktop	Mr. Wu Lanfeng/ Administration manager		
NC 7	New	Based on onsite observation, auditor found that	<input checked="" type="checkbox"/> Training	The factory should	30	Desktop	Mr. Wu		

<p>Working Conditions are Safe and Hygienic</p>		<p>hazardous chemicals such as lubricating oil were stored in injection workshop, but there was no valid secondary containment.          根据现场审核，审核员发现在注塑车间存放了润滑剂等化学品，但没有按要求设置防泄漏安全措施。</p>	<p><input checked="" type="checkbox"/> Systems  <input type="checkbox"/> Costs  <input type="checkbox"/> lack of workers  <input type="checkbox"/> Other – please give details:</p>	<p>set up the corresponding safety facilities and equipment in workshop or warehouse for hazardous chemicals as per legal requirement.          工厂应当在危险化学品的使用及储存场所设置相应的安全设施。</p>	<p>days</p>		<p>Lanfeng/ Administration manager</p>		
---	--	---	---	--	-------------	--	--	--	--

## Confirmation

<p><b>Please sign this document confirming that the above findings have been discussed with and understood by you:</b> (site management)  <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i></p>		
A: Site Representative Signature:	Mr. Wu Lanfeng	Title Administration manager Date Feb 25,2023
B: Auditor Signature:	Tink Ding / Gary Hong	Title Auditor Date Feb 25,2023
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes. Nil		
D: I dispute the following numbered non-compliances: Nil		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)		Title Date
F: Any other site Comments: Nil		

## Guidance on Root Cause

### Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

### Some examples of finding a "root cause"

#### Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

#### Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

#### Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re-occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

**[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw_3d_3d)**

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw_3d_3d)

**[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)**

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY\\_2brg\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

**[Click here for Auditors:](https://www.surveymonkey.co.uk/r/BRTVCKP)**

<https://www.surveymonkey.co.uk/r/BRTVCKP>