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Auditee :	<b>DongGuan YU DI Lanyards and Promotions Company Ltd</b>
Audit Date From :	<b>23/07/2016</b>
Audit Date To :	<b>23/07/2016</b>
Expiry Date of the Audit :	<b>23/07/2017</b>
Auditing Company :	<b>HKQAA</b>
Auditor's Name(s) :	<b>Ivy, Yun Long(Lead)</b>
Auditing Branch (if applicable) :	

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## BSCI Audit Summary Report

This is an extract of the on line Audit Report. The complete report is available in the BSCI Platform.  
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This is an extract of the BSCI Audit Report, which is available in the BSCI Platform. © Foreign Trade Association (FTA), 2013 - The English version is the legally binding One.

**Rating Definitions**



Rating	A combination of ratings per performance area where:	Consequence																																													
<p><b>A</b> <b>OUTSTANDING</b></p>	<p>o Minimum 7 performance area rated A o No Performance area rated C, D or E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	<p>The auditee has the level of maturity to maintain its improvement process without needing follow-up audit.</p>
A	A	A	A	A	A	A	A	A	A	A	A	A	A	A																																	
A	A	A	A	A	A	A	A	A	A	A	A	B	B	B																																	
A	A	A	A	A	A	A	A	B	B	B	B	B	B	B																																	
<p><b>B</b> <b>GOOD</b></p>	<p>o Maximum 3 performance area rated C o No performance area rated D or E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr> <tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>C</td></tr> </table>	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	A	A	A	A	A	A	B	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	B	C	C	C	C	<p>The auditee has the level of maturity to maintain its improvement process without needing follow-up audit.</p>
A	A	A	A	A	A	A	B	B	B	B	B	B	B	B																																	
A	A	A	A	A	A	B	B	B	B	B	B	B	B	C																																	
B	B	B	B	B	B	B	B	B	B	B	C	C	C	C																																	
<p><b>C</b> <b>ACCEPTABLE</b></p>	<p>o Maximum 2 performance areas rated D o No performance area rated E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr> <tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	C	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	C	D	D	C	C	C	C	C	C	C	C	C	C	C	C	C	D	D	<p>The auditee needs follow up on its progress. The auditee develops a remediation plan within 60 days following the completion of the audit.</p>
A	A	A	A	A	A	A	A	A	A	C	C	C	C	C																																	
A	A	A	A	A	B	B	B	B	C	C	C	C	D	D																																	
C	C	C	C	C	C	C	C	C	C	C	C	C	D	D																																	
<p><b>D</b> <b>INSUFFICIENT</b></p>	<p>o Maximum 6 performance area rated E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td><td>D</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td></tr> <tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	A	D	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	D	E	E	D	D	D	D	D	D	D	D	E	E	E	E	E	E	E	<p>The auditee needs follow up on its progress. The auditee develops a remediation plan within 60 days following the completion of the audit.</p>
A	A	A	A	A	A	A	A	A	A	A	D	D	D	D																																	
A	A	A	B	B	B	C	C	C	D	D	D	D	E	E																																	
D	D	D	D	D	D	D	D	E	E	E	E	E	E	E																																	
<p><b>E</b> <b>UNACCEPTABLE</b></p>	<p>o Minimum 7 performance areas rated E</p> <p><i>These are three examples:</i></p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	E	E	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	<p>BSCI participants shall closely oversee the auditee's progress as it may represent a higher risk than other business partners</p>
A	A	A	A	A	A	E	E	E	E	E	E	E	E	E																																	
A	A	B	B	C	D	E	E	E	E	E	E	E	E	E																																	
E	E	E	E	E	E	E	E	E	E	E	E	E	E	E																																	
<p><b>Zero Tolerance</b></p>	<p>A Zero Tolerance issue was identified (see Annex 5)</p>	<p>Immediate actions are required. The BSCI Zero Tolerance Protocol is to be followed.</p>																																													

**Main Auditee Information**



Name of producer :	DongGuan YU DI Lanyards and Promotions Company Ltd		
DBID number :	360891		
Audit ID :	53658		
Address :	6/F, The Flat A Qiaotou Industrial Park, Qiaoli Village, Changping Town Dongguan		
Province :	Guangdong	Country :	China
Management Representative :	Mr. Cao Di		
Contact person:	Di Cao	Sector :	Non-Food
Industry Type :	Others	Product group :	Others
Product Type :	Fabric		

**Audit Details**



Audit Range :	<input checked="" type="checkbox"/> Full Audit	<input type="checkbox"/> Follow-up Audit
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural
Audit Announcement :	<input checked="" type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced <input type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No	
Audit extent (if applicable) :	none	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	C	
Need of follow-up :	Yes	If YES, by : 23/07/2017

**Rating per Performance Area (PA)**

PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
D	B	A	A	A	D	A	A	A	A	A	A	A

**Executive summary of audit report**

General:

There are total 343 employees in factory. The auditee "东莞市宇迪织带礼品有限公司(B/L NO: 91441900MA4UN0T44R)" rent the 6F of one 6-storey production building A used as office, production and warehouse building. No dormitory and canteen were provided. The main products manufactured by the factory cover fabric. The main production processes include weaving, printing, sewing, assembly and packing. The auditee was operated star from March 2016 and the relevant documents were reviewed from this month.

Performance area 6 : Decent Working Hours

Normal working time was 8 hours per day and 5 days per week and one shift was 8:00-12:00 and 13:30-17:30. According to the worker interviews, they could excuse from overtime with verbal notification. As confirmed by management, the peak season from August to next January. Fingerprinting recognition system was used to record employees working hours. Attendance records of March 2016 to audit date were reviewed. According to the provided attendance records, maximum 2 hours overtime per day and 58 hours overtime per month; maximum consecutive working days was 6 days. The factory didn't obtain Comprehensive Working Hours System Approval Letter.

Performance area 5 : Fair Remuneration

Payrolls from March April 2016 were reviewed. Local legal minimum wage RMB1,510 and the lowest wage in the factory was RMB2,000/month. As shown in the payrolls, wage for workers was calculated by hourly rate. The factory set basic salary to workers based on their experience or skills. Wage were paid by cash before 15 days after the end of the calculation period. Employees were paid overtime compensation based on 150%, 200% and 300% of normal wage on normal working days, Sat or Sun and holidays respectively. The social insurance payment receipts from March to June 2016 were provided for review. Work-related injury insurance/ medical insurance/ retirement insurance/unemployment insurance/maternity insurance were provided for all employees.

BNW: As provided by the factory employee, price of foods as below: Vegetable: RMB 3/500g Rice: RMB 3/500g Pork: RMB 12/500g Egg: RMB 6/500g Basic needs wage=RMB1,473/month. During worker interviews and payroll review, it was found the minimum wage was RMB2000/month which was higher than the calculated basic needs wage. (where the assumptions are - household size : 3 - daily Calorie consumption : around 2000 - % of household expenditure spent on food : 40% - discretionary income : 10% - BNW calculation formula = Basic food basket × (1/% of avg. household expenditure spent on food)×(0.5×avg. household size)×1.1)

**Ratings Summary**



Auditee's background information			
Auditee's name :	DongGuan YU DI Lanyards and Promotions Company Ltd	Legal status :	Limited company
Local Name :	东莞市宇迪织带礼品有限公司(B/L NO: 91441900MA4UN0T44R)	Year in which the auditee was founded :	2016
Address :	6/F, The Flat A Qiaotou Industrial Park, Qiaoli Village, Changping Town	Contact person (please select) :	Di Cao
Province :	Guangdong	Contact's Email :	info@yodelanyards.com
City :	Dongguan	Auditee's official language(s) for written communications :	Chinese
Region :	North East Asia	Other relevant languages for the auditee :	NONE
Country :	China	Website of auditee (if applicable) :	www.yodelanyards.com
GPS coordinates :	E114°0.31' and N22°56.25'	Total turnover (in Euros) :	673464.00
Sector :	Non-Food	Of which exports % :	80.00
Industry :	Others	Of which domestic market % :	20.00
If other, please specify :	NONE	Production volume :	3000000 pcs per year
Product Group :	Others	Production cost calculation :	Yes
If other, please specify :	NONE	Lost time injury calculation cost :	No
Product Type :	Fabric		

Auditee's employment structure at the time of the audit			
Total number of workers :	12	Total number of workers in the production unit to be monitored (if applicable) :	0
	<b>MALE WORKERS</b>	<b>FEMALE WORKERS</b>	
Permanent workers	4	8	
Temporary workers	0	0	
In management positions	1	1	
Apprentices	0	0	
On probation	0	0	
With disabilities	0	0	
Migrants (national citizens)	4	6	
Migrants (foreign citizens)	0	0	
Workers on the permanent payroll	4	8	
Production based workers	0	0	
With shifts at night	0	0	
Unionised	0	0	
Pregnant	-	0	
On maternity leave	-	0	

**Finding Report**



<b>Performance Area 1 : Social Management System and Cascade Effect</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: D	Deadline date:30/11/2016
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> Based on satisfactory evidence, the main auditee partially not respects this principle because: 基于令人满意的证据, 被审核方尚未尊重BSCI的本条部分原则, 原因是: <b>1.1 -</b> The auditee had not set up a effective system to implement the BSCI Code of Conduct. E.g.: control of overtime. 受审核方没有建立一个有效的系统来落实BSCI各原则方面的要求. 如:加班管控. <b>1.4 -</b> The auditee has no workforce capacity plan which should be properly organized to meet the expectations of the delivery order and/or contracts. E.g.: control of overtime. 受审核方没有劳动力的容量规划以适当安排满足交付订单和/或合同的期望. 如:加班管控	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 2 : Workers Involvement and Protection</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: B	Deadline date:30/11/2016
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> Based on satisfactory evidence, the main auditee partially not respects this principle because: 基于令人满意的证据, 被审核方尚未尊重BSCI的本条部分原则, 原因是: <b>2.2 -</b> The auditee did not define long-term goals for protecting workers in line with the aspirations of the BSCI Code of Conduct. 工厂没有设定长期目标来保护员工以达到BSCI行为准则的愿望。	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 3 : The rights of Freedom of Association and Collective Bargaining</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> Freedom of association and collective bargaining procedure is in place.	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 4 : No Discrimination</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> Anti-discrimination policy has been established. It states that the discrimination is prohibited in human resource management including recruitment, overtime opportunity, training opportunity, promotion, wage and resignation.	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	

<b>Performance Area 5 : Fair Remuneration</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 6 : Decent Working Hours</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: D	Deadline date:30/11/2016
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> Based on satisfactory evidence, the main auditee partially not respects this principle because: 基于令人满意的证据, 被审核方尚未尊重BSCI的本条部分原则, 原因是: <b>6.2 -</b> Based on provided attendance records from March to June 2016, it was noted that the all monthly overtime working hour were more than 36 hours and the maximum monthly overtime was up to 58 hours. (e.g:June 2016).This is systematic fault. (the Article 41 of China Labor Law) 基於工廠提供2016年3月至6月的考勤记录, 工廠月加班工時均超出36小時, 最大月加班時間為58小時(如:2016年6月)。此为系统性不符合。(國家勞動法第41條)	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 7 : Occupational Health and Safety</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:30/11/2016
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> Based on satisfactory evidence, the main auditee partially not respects this principle because: 基于令人满意的证据, 被审核方尚未尊重BSCI的本条部分原则, 原因是: <b>7.3 -</b> The transmittable and non-transmittable diseases were not assessed. 工厂没有评估传染和非传染疾病的相关风险。 <b>7.5 -</b> It was noted that written safety regulations and operating was not posted in workshop such as weaving section. 生产区域没有张贴书面安全规定和操作规程。如: 织机车间 <b>7.17 -</b> It was noted that most belt drive of the sewing machine did not install eye protective guard . 现场评估发现工厂部分针车皮带没有安装挡针板。 <b>7.21 -</b> 7.21 is N/A due to no canteen provided for employees. <b>7.23 -</b> 7.23 is N/A due to no transportation provided for employees. <b>7.24 -</b> 7.24 is N/A due to no dormitory provided for employees.	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 8 : No Child Labour</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> Child Labor and Young Employee control procedure has been established. Based on employee muster roll and employee application forms with ID copy review, there was no child labor identified during this audit.	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	

<b>Performance Area 9 : Special protection for young workers</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> Child Labor and Young Employee control procedure has been established. Based on employee muster roll and employee application forms with ID copy review, there was no child labor identified during this audit.	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<p><b>9.2 -</b> 9.2,9.4-9.6 are N/A due to no young worker found in factory.</p> <p><b>9.4 -</b> 9.2,9.4-9.6 are N/A due to no young worker found in factory.</p> <p><b>9.5 -</b> 9.2,9.4-9.6 are N/A due to no young worker found in factory.</p> <p><b>9.6 -</b> 9.2,9.4-9.6 are N/A due to no young worker found in factory.</p>	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 10 : No Precarious Employment</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:30/11/2016
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> Based on satisfactory evidence, the main auditee partially not respects this principle because: 基于令人满意的证据, 被审核方尚未尊重BSCI的本条部分原则, 原因是: <b>10.1 -</b> The factory did not establish a complete procedure on employment of temporary workers included dispatched workers. 工厂没有建立程序保障临时工, 派遣工等的福利、权利等均符合法律要求。	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 11 : No Bonded Labour</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> The auditee has implemented a policy and procedure of loan and pre-payment of wage based on worker's salary level to avoid bonded labor because of loan.	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 12 : Protection of the Environment</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	
<b>Performance Area 13 : Ethical Business Behaviour</b>	
Full Audit [Audit Id - 53658] Audit Date: 23/07/2016 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NONE	
<b>AREAS OF IMPROVEMENT:</b> NONE	
<b>Remarks from Auditee:</b> NONE	



**Summary**



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	23/07/2016	53658	D	B	A	A	A	D	A	A	A	A	A	A	A	C

**Producer Photos**



External photo(s) of the production unit(s)  
factory gate.JPG



Photo of fire safety equipment  
fire safety equipment.JPG



External photo(s) of the production unit(s)  
factory name (2).JPG



Photo of the inside of the main production hall  
assembly and packing area.JPG



Photo first aid facilities  
First aid kit.JPG



External photo(s) of the production unit(s)  
Production building.JPG



Photo of the inside of the main production hall  
Sewing area.JPG



Photo of the inside of the main production hall  
Suggestion box.JPG



Photo of the inside of the main production hall  
Timecard machines.JPG



Photo of the inside of the main production hall  
printing area.JPG



External photo(s) of the production unit(s)  
BL.JPG



Photo of the inside of the main production hall  
NG7.17.JPG