

Client	Liberty London	QIMA Service No	R-Cloud-2079694
Supplier	Pelfin SRL	Auditor	Annetta Madlaina_Crastan
Factory	Pelfin SRL	Date	15-Sep-2020
Industry	Textile, Apparel, Footwear & Accessories	Country	Italy

Factory Overall Score **9.6** of a possible 10

Factory Overall Score	9.6
Your suppliers' average	N/A
Country average	9.6
Industry average	8

Audit Rating **Green** Approved

		Critical NC	Major NC	Minor NC	Score out of 10
Health & Safety, Hygiene	30%	0	0	1	9.7
Waste Management	20%	0	0	2	8.7
Child Labour	10%	0	0	0	10
Hours, Wages & Benefits	20%	0	0	0	10
Labour Practices	10%	0	0	0	10
Forced Labour and Migrant Labour	10%	0	0	0	10
Total		0	0	3	9.6

NC: Non-Compliances

Valid until: 14-Sep-2023



Description of audited plant

Factory was established on 16-Jun-2016 founded by Mr Bracciolini, the actual owner, that left the company BRACCIONI SPA and founded a new one, PELFIN SRL, bringing with him some employees and the brand Vivienne Westwood that the previous company served since 1985.

Factory does samples of leather goods. It has 16 employees.

Important remarks

Part 1 Health & Safety, Hygiene

1. Factory regularly arranges health and safety training for new workers and for everyone who changes working roles. All workers have a valid training certification.
2. All site buildings are maintained in good condition without posing a threat to the health of workers.
3. Last fire drill has been made on 12/11/2019, but there is no evidence of who among the employees participates at the fire drill.

Part 2 Environment

1. Factory has a relevant legal document to start operations called Certificato di Agibilità.
2. Factory has not yet obtained the Air Emission Authorization. In July it gave the task to the consultant Dott. Filippo Gori, seen the Contract signed on the 29/07/2020.
3. Factory is not able to demonstrate that air quality at factory's boundaries is meeting the local standards requirement, because factory did not perform yet the air analysis.

Part 3 Child Labour

1. Factory has hiring procedures that oblige to hire workers only over 18 years old.
2. Factory signs contracts with all workers, and keeps copies of ID documents of workers.

Part 4 Working Hours, Wages and Benefits

1. No working hours exceed the international recommendation of 60 hours/week. Workers have 1 day off within 7 days.
2. Workers are paid the CBA minimum wage per level. The minimum wage is always reported in the pay slip.

Part 5 Labor Practices

1. There is no union in the factory. All workers are covered by a Collective Bargaining Agreement, the LEATHER INDUSTRY.
2. There are fair and effective parallel means to resolve grievances of workers, through the Workers Representative and direct down top communication.
3. There is no evidence of any discrimination in terms of hiring, wage, access to training, promotion, retirement and termination.

Part 5 Forced Labour and Migrant Labour

1. Forced Labour is strictly forbidden, and workers are trained on that by their Representative. There are no migrant workers, so the language spoken is only Italian.

Home Workers and Subcontractors

Is there any home workers used by factory? **No**

If yes, description:

Is there any subcontractor used by factory? **Yes**

If yes, description: the production processes are cutting, assembly, packaging in Italy and abroad.

- GOLDEN J SRL all phases above described in Calenzano (FI)
- CINZIA PELLETTERIA in Firenze only cutting
- SUN Ttd in China all phases above described
- KARALE Ltd in China all phases above described

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Number of days spent: 1 man-day



Auditor 1: Annetta Crastan

Supervisor: Karmela Malinao

Departure time from home / office

Arrival time at Factory

Departure time from Factory

8.30

9.30

17.30

	
<p>Map</p>	<p>Factory Gate</p>
	
<p>Factory Building</p>	<p>Production Line</p>
	
<p>Production Line</p>	<p>Office</p>



Office



Office



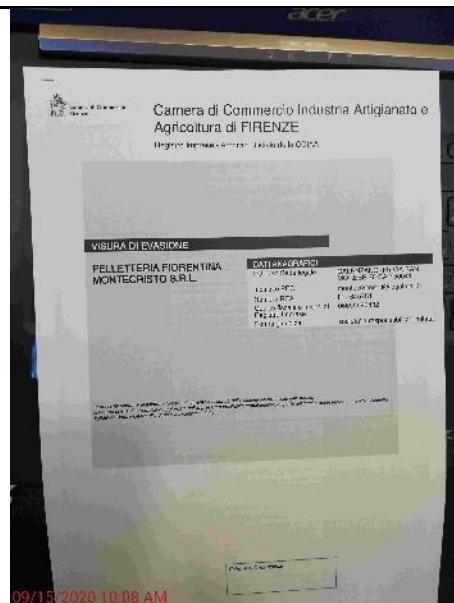
Sample Room



Sample Room



Workers on site



Business License REA FI-64571



Raw material in the factory



Final product

A. Observation & Questions

Basic Factory Profile

Item				Finding			Comments			
1	Date of formation			16.6.2016						
2	Legal status			Limited Liability Company						
3	Site Address			Via San Morese 72, Calenzano, Firenze (ITALY)						
4	GPS Location			43.840628; 11.172221						
5	Area (m2)			800 m2 on 2 floors						
6	Owner			Riccardo Bracciolini e Tommaso Cepelli						
7	Total staff in the factory			16						
8	Total office staff			7						
9	Total Management staff			1						
10	Number of workers			8						
Worker Analysis										
		Local			Migrant*					Total
		Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	Office staff	
Worker numbers –Male		6	0	0	0	0	0	0	0	6
Worker numbers –female		10	0	0	0	0	0	0	0	10
Total		16	0	0	0	0	0	0	0	16
11	Majority nationality of workers			Italian						
12	Nationality of management			Italian						
13	Languages spoken by management			Italian						
14	Factory Manager			Luca Bastianelli						
15	Health and Safety Manager			It is external: Aleandro Parisi						
16	Main products			Leather goods, mainly bags						
17	Main markets			Italy (95%) and Japan (5%)						
18	Annual turnover			6 millions						
19	Business license			REA FI-645751						
				28.8.20						
20	Payroll records of all employees			100%						
21	Time cards for all employees			100%						
22	Factory Description		Workshop/Warehouse	Description			Size			
			Ground floor	production			400 m2			
			First Floor	Offices and show room			400 m2			

		Products	Monthly Quantity	Main clients/destination countries
		bags	30 units	Vivienne Westwood Milano Italy
		wallets	30 units	Vivienne Westwood Milano Italy

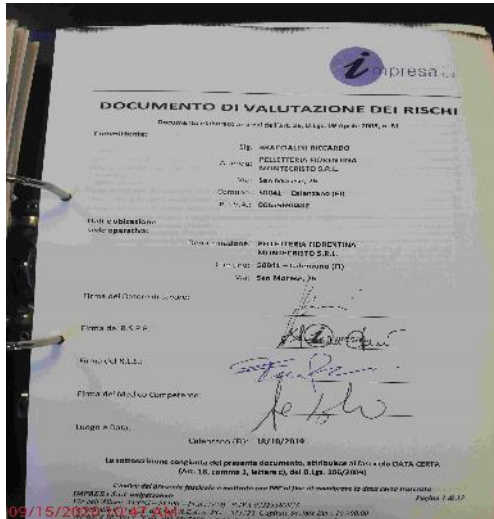
Part 1 Health & Safety, Hygiene

1. General

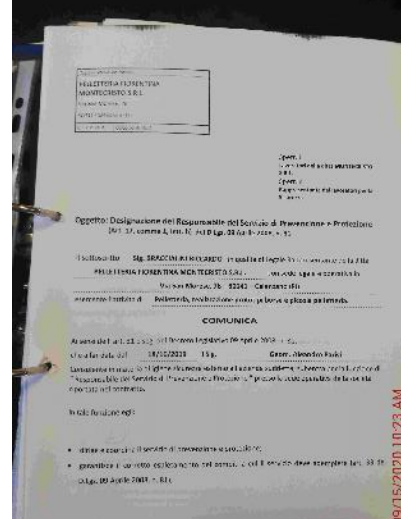
Item No	Requirement	Result	Comments
1.1	Is a risk analysis conducted to identify the risks associated with production and is this risk analysis reviewed regularly and updated when necessary?	Pass	Factory conducted a risk analysis to identify the risks associated with production and is this risk analysis reviewed regularly and updated when necessary. the DVR (Document of Risk Evaluation) of 18.10.19
1.2	Is there a senior management representative for Health & Safety?	Pass	There is a senior management representative for Health & Safety (RSPP), Aleandro Parisi, designation of 18.10.19 and last training of 27.10.17.
1.3	Does the factory arrange health and safety training for new workers and for everyone who changes working roles?	Pass	Factory regularly arranges health and safety training for new workers and for everyone who changes working roles. All workers have a valid training certification.
1.4	Does the factory have a working environment that is well-ventilated, comfortable temperature, decent lighting, clean, tidy and enough room for each worker? If there are any possible issues that would impact the health of the worker, please give details.	Pass	Factory has a working environment that is well-ventilated, comfortable temperature, decent lighting, clean, tidy and enough room for each worker. There are no issues that would impact the health of the worker
1.5	Are all serious work-related accidents reported and recorded and corrective actions taken to prevent recurrence of work-related accidents?	Pass	Since its birth factory never had injuries or accidents to its workers.
1.6	Is appropriate and adequately maintained personal protective equipment (PPE) provided by the factory?	Pass	There is appropriate and adequately maintained personal protective equipment (PPE) provided by the factory. one signed delivery
1.7	Have workers been trained in the use of PPE and are using provided equipment correctly?	Pass	Workers have been trained in the use of PPE and are using provided equipment correctly. the instruction to use PPE
1.8	Do workers have access to an adequate amount of fresh drinking water?	Pass	Workers have access to an adequate amount of fresh drinking water per free. the water dispenser
1.9	Is there an adequate number of first aid kits?	Pass	There is an adequate number of first aid kits
1.10	Are first aid kits easily accessible and clearly marked and the content within the expiry date, applicable and replaced when used?	Pass	First aid kits are easily accessible and clearly marked and the content within the expiry date, applicable and replaced when used.
1.11	Are adequate workers trained on first aid? Specify the number of trained personnel at the factory	Pass	There is an adequate number of workers trained on first aid. There are 2 workers both designated on 18.10.19.: - Cioppi trained on 10.2.17 - Ricci trained on 7.2.19

1.12	Are lavatory and or washroom facilities, clean, well maintained, adequate in number, separated by sex, and with relevant privacy?	Pass	Lavatory and or washroom facilities are clean, well maintained, adequate in number, separated by sex, and with relevant privacy
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Picture(s)



Risk Evaluation Assessment (DVR)



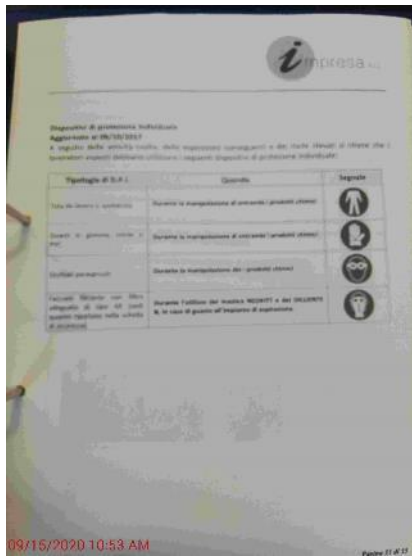
RSPP (Senior H&S Representative) designation



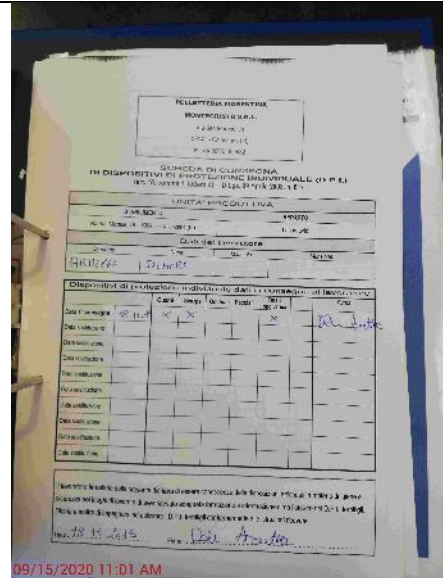
RSPP updated training



Workers H&S Training Certificates



PPE use Instruction



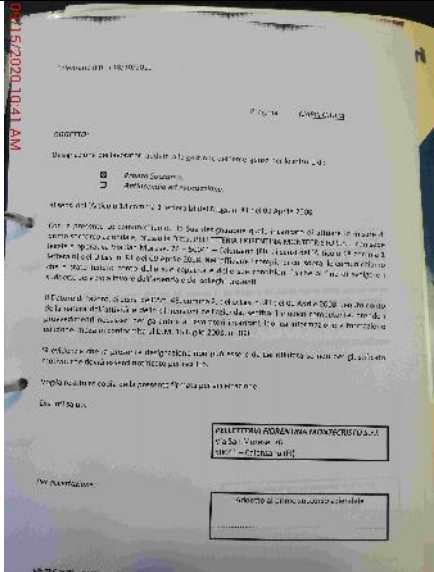
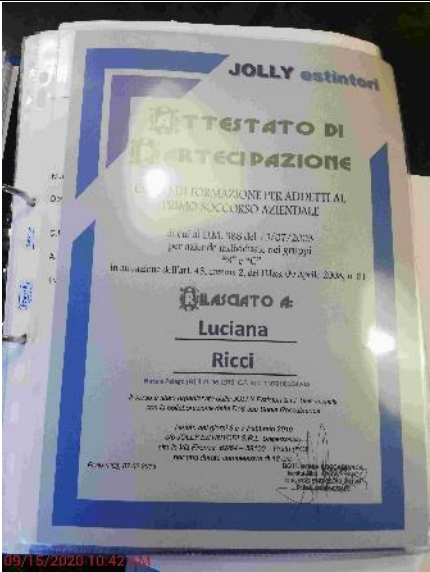


PPE signed delivery receipt



Drinking Water dispenser

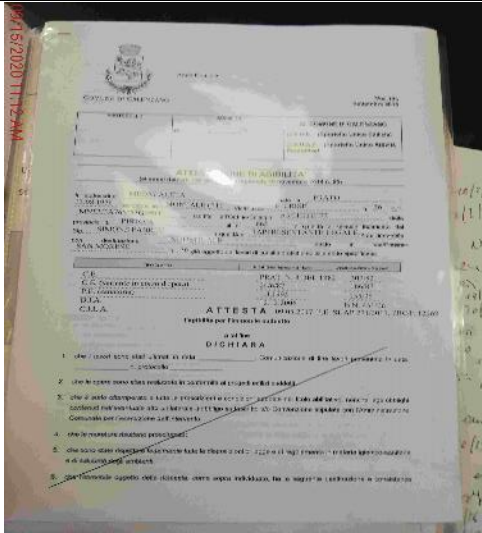


First Aid kit

 <p>09/15/2020 10:41 AM</p>	 <p>09/15/2020 10:42 AM</p>
<p>First Aid Team designation</p>	<p>First Aid Worker Training Certificate (Ricci)</p>
 <p>09/15/2020 11:42 AM</p>	 <p>09/15/2020 11:43 AM</p>
<p>Toilet</p>	<p>Toilet</p>

2. Building Safety

Item No	Requirement	Result	Comments
1.13	Are legal construction certificates (building structure) available?	Pass	Building Structure Safety Certificate n.54322 of 11/11/2016 is available and provided during audit.
1.14	Are all site buildings, including dormitories maintained in good condition without posing a threat to the health of workers?	Pass	All site buildings are maintained in good condition without posing a threat to the health of workers.

Picture(s)	
	Nil
Building Structure Safety Certificate	

3. Fire Safety

Item No	Requirement	Result	Comments
1.15	Does the factory have adequate unblocked fire exits for every factory workshop/floor?	Pass	Factory has adequate unblocked fire exits for every factory workshop/floor.
1.16	Has the factory been certified by the local fire bureau, and made efforts to comply with recommendations from audits?	N/A	Factory is not required to secure the Fire Certification.
1.17	Are there an adequate number of fire extinguishers and or other fire extinguishing systems in each building (including the dormitories)?	Pass	There are there an adequate number of fire extinguishers in the factory.
1.18	Are all fire extinguishing systems (including fire hoses) inspected, maintained properly and ready to use at all times?	Pass	All fire extinguishing systems (including fire hoses) are inspected, maintained properly and ready to use at all times. Last check has been made on 30/07/2020.
1.19	Are fire drills conducted regularly?	Minor	Last fire drill has been made on 12/11/2019, but there is no evidence of who among the employees participates at the fire drill.
1.20	Are there fire alarms on each floor and adequate emergency lighting above exits and in working order?	N/A	Factory is not required to install the fire alarm.

1.21	Are there fire/evacuation procedures in place with relevant evacuation plans posted in every workshop?	Pass	There are fire/evacuation procedures in place with relevant evacuation plans posted in every workshop.. There is an Emergency Fire Team made of 2 trained workers: Carboni and Sgai, designated on 18.10.19 and trained on 04/11/2019. There is also the Fire Risk Assessment of 18.10.19.
1.22	Are smoke detectors/sprinklers installed in all workshops/warehouses?	N/A	For Factory it is not required have smoke detectors

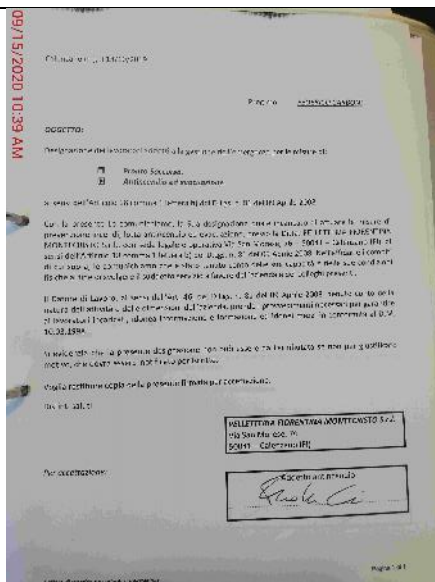
Picture(s)



Emergency Exit



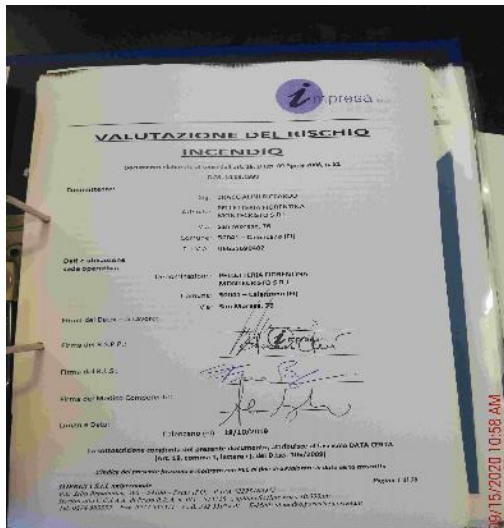
Extinguisher



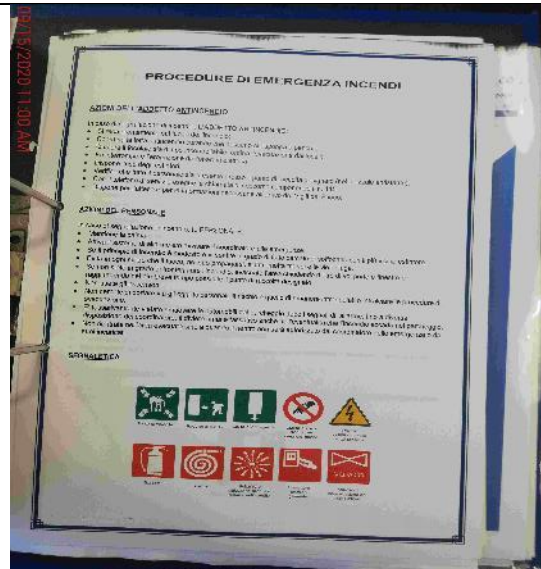
Designation of Fire Team Workers



Fire Team worker training (Carboni)



Fire Risk Assessment



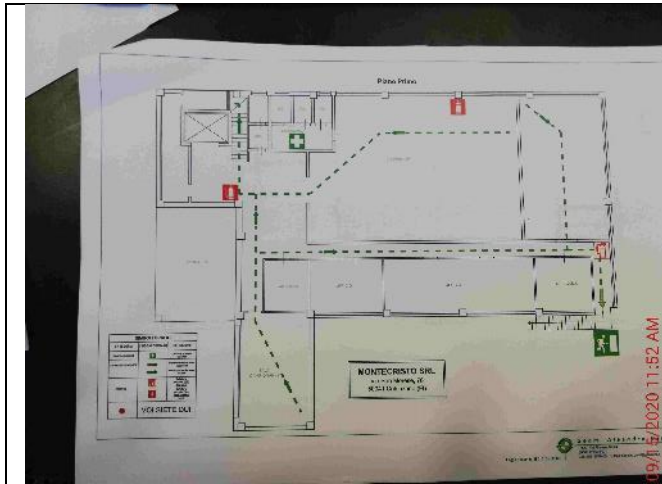
Fire Emergency Procedure



Emergency Exit



Fire Extinguisher



Evacuation Map 1° Floor

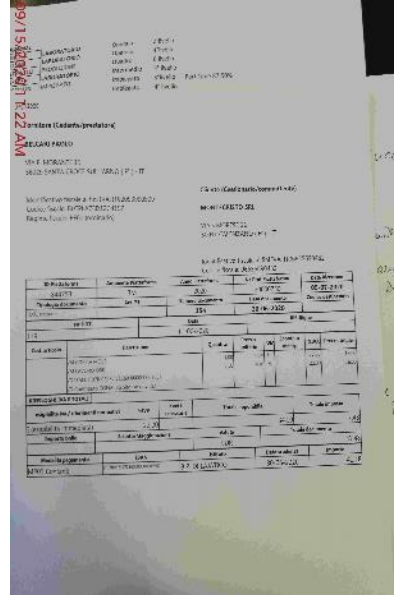
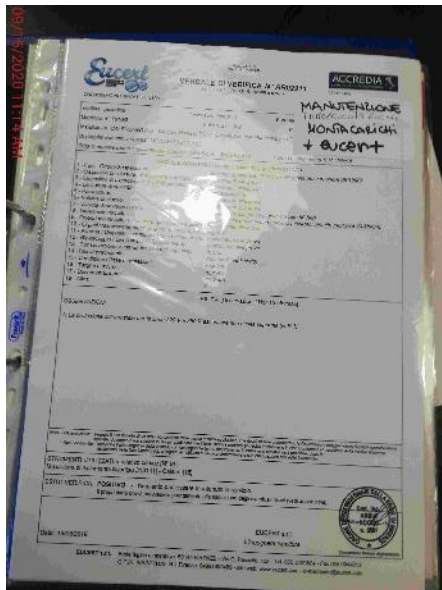


Evacuation Map Ground Floor

4. Machines/Installations

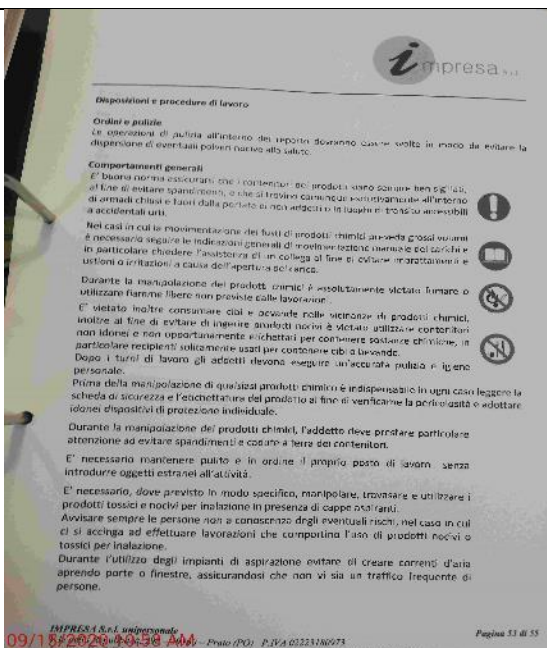
Item No	Requirement	Result	Comments
1.23	Does the factory have appropriate maintenance/inspections for boilers, elevators, pressure vessels and other equipment per local regulation?	Pass	Factory has appropriate maintenance/inspections for all the equipment per local regulation. The lift has been maintained on 18.3.19 by EUCERT..
1.24	Are adequate guarding or devices installed for moving/rotating parts of machine, pulleys and belts or any other dangerous parts of machines?	Pass	There are adequate guarding or devices installed on the machines. All the sewing machineries have been inspected on 11.6.20 by BELCARI PAOLO.
1.25	Are all electricians, welding operators and forklift drivers and other employees who operate special equipment trained and qualified per local regulations?	Pass	There are no employees who operate with special equipment. The processes and machineries are very simple, there are no elevators or forklifts. The machineries are: sewing machine, brushes, machines to reduce the thickness of leather
1.26	Are all electrical wires in the facility adequately protected?	Pass	All electrical wires in the facility are adequately protected
1.27	Are there appropriate warning signs and written instructions for the operators of machinery?	Pass	There are the appropriate warning signs and written instructions for the operators of machinery
1.28	Do operators of machinery get training about safety regulations and operating procedures?	Pass	Operators of machinery get training about safety regulations and operating procedures. the procedure

Picture(s)



Lift Maintenance Report

Machinery Maintenance Report




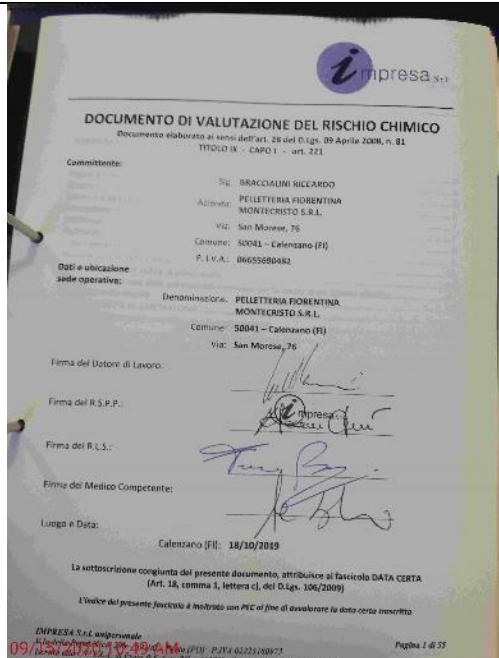
Nil

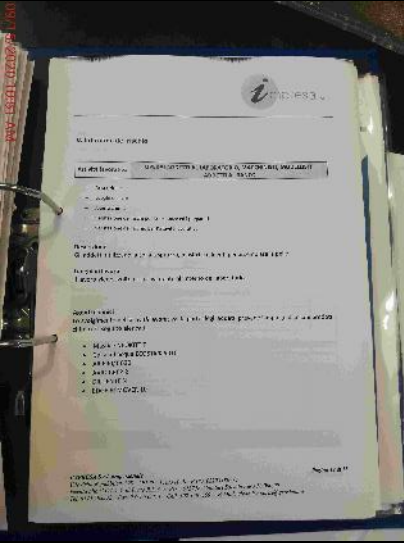
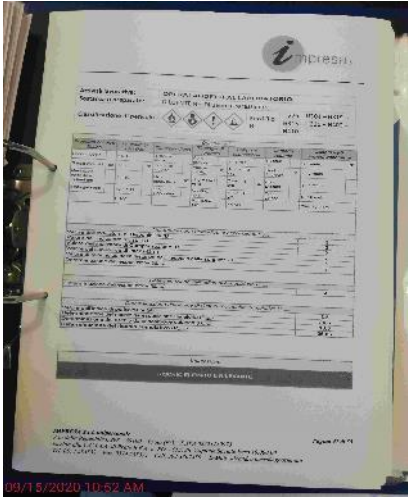
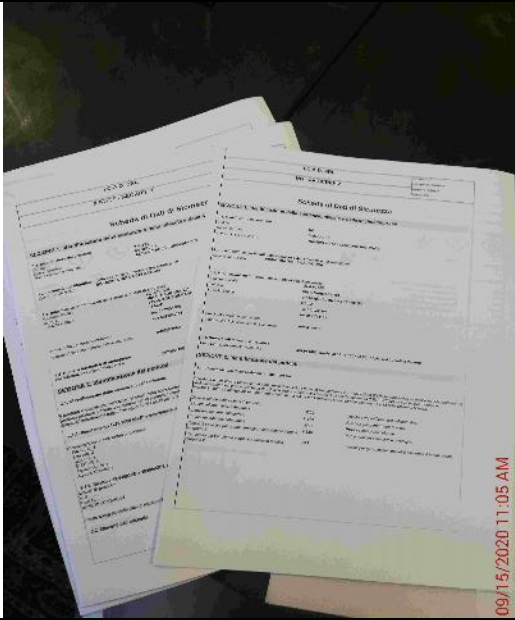
Work Instructions

5. Hazardous Materials

Item No	Requirement	Result	Comments
1.29	Are hazardous materials / chemicals properly stored, with relevant container and secondary container?	Pass	Hazardous materials / chemicals are properly stored, in iron cupboard.. Factory uses only glue, putty (or mastic) and water diluents.

1.30	Does the factory have MSDS and warning / "No Smoking" signs for each chemical products?	Pass	Factory has all the updated MSDS of the substances used
1.31	Are these materials only accessible to competent employees ?	Pass	These materials are only accessible to competent employees, there is a key to open the cupboard
1.32	Are the designated employees properly trained for the handling of these hazardous materials ?	Pass	The designated employees are properly trained for the handling of these hazardous materials. the procedure

Picture(s)	
	
Hazardous substances cupboard	Chemical Risk Assessment

	
<p>Substances list</p>	<p>Procedure of substance usage</p>
	<p>Nil</p>
<p>MSDS of the substances used</p>	

6. Canteen and Dormitories (if Applicable)

Item No	Requirement	Result	Comments
1.33	Are the factory kitchen and canteen clean and hygienic with adequate facilities and the required permits and certificates, including canteen staff health certificate?	N/A	There is no canteen provided in the factory.
1.34	Are dormitory facilities provided? Are these onsite or offsite?	N/A	There are no dormitories provided onsite.

1.35	Are workers' dormitories separated from production's building and/or warehouse?	N/A	There are no dormitories provided onsite.
1.36	Are all exits unblocked and unlocked at all times for emergency evacuation in dormitories?	N/A	There are no dormitories provided onsite.
1.37	Are workers free to exit & re-enter dormitory freely? Please provide details of any limitations.	N/A	There are no dormitories provided onsite.
1.38	Does each worker have adequate living space? Please indicate the space per worker and number of workers per room.	N/A	There are no dormitories provided onsite.
1.39	How are personal documents of workers stored? E.g. is there personal storage available in dorms or are documents held centrally by management (but with free access at all times for workers)	N/A	There are no dormitories provided onsite.
1.40	Are the dormitories clean? Are there adequate toilets with hand basins available to workers at adequate distance at dormitory? Are there adequate bathrooms available to workers at dormitory? Are sanitary areas clean and hygienic with available washing facilities.	N/A	There are no dormitories provided onsite.
1.41	Are dormitories separated by gender and with relevant privacy?	N/A	There are no dormitories provided onsite.
1.42	Are there recreation areas for the workers?	N/A	There are no dormitories and recreation area provided to workers.

Special Remarks on this section

Part 1 Health & Safety, Hygiene

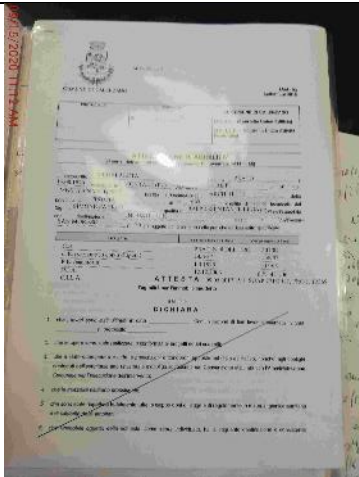
1. Factory regularly arranges health and safety training for new workers and for everyone who changes working roles. All workers have a valid training certification.
2. All site buildings are maintained in good condition without posing a threat to the health of workers.
3. Last fire drill has been made on 12/11/2019, but there is no evidence of who among the employees participates at the fire drill.

Critical NC	Major NC	Minor NC	Score /10
0	0	1	9.7/10

Part 2 Waste Management

1. Legal Authorizations

Item No	Requirement	Result	Comments
2.1	Does factory have a valid Environmental Impact Assessment (where applicable)?	N/A	Factory knows and follows all environmental law requirements. An Environmental Impact Assessment is not required to factory
2.2	Does factory have a valid Approval Report of Environmental Impact Assessment, or relevant legal document to start operations?	Pass	Factory has a relevant legal document to start operations called Certificato di Agibilità.
2.3	Does factory maintain a valid Pollutant Discharge Permit or equivalent, where applicable?	Pass	Factory follow all legal requirements and laws on waste discharge. The companies that collect waste have all a legal authorization. on section 2

Picture(s)	
	Nil
Document to start operations (Certificato di Agibilità)	

2. Solid and Hazardous Wastes

Item No	Requirement	Result	Comments
2.4	Does factory inventory all solid wastes, including kind, sources, and quantities?	Pass	Factory is not required to keep a Waste Register, because the waste is really not relevant. Factory discharges once a year the polluted bins and waste of leather through an authorized disposal company called MOGGI SMALTIMENTI Authorization FI-286112 of 23.9.16. Last disposal has been made on 14.1.20

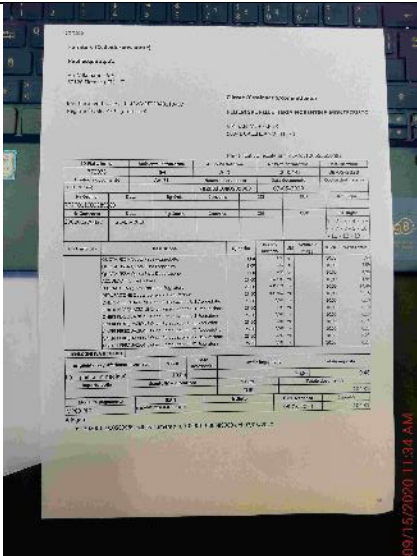
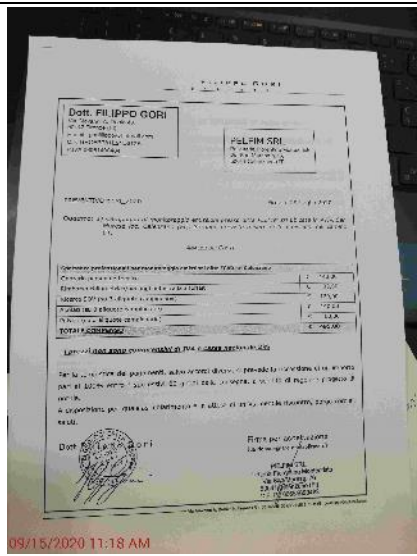

2.5	Does factory adequately separate recyclable from non-recyclable wastes in workshops/warehouses?	Pass	Factory adequately separates recyclable from non-recyclable wastes in workshops/warehouses. the different bins
2.6	Can factory prove that they have taken actions to reduce/recycle/re-use solid wastes as much as possible?	Pass	Factory did a verbal sensibilization to its workers to reduce solid waste (ex. not to use plastic bottles of water to drink). For this reason it has been put the water dispenser. Moreover, factory is working to a project that aims to use an ecological brand.
2.7	Does factory inventory all hazardous wastes, including kind, sources, and quantities?	Pass	Kind, sources and quantities of hazardous waste are indicated in the Formulario document that is given to the disposal company when collects waste and 1 copy kept in factory
2.8	Does factory store hazardous wastes in a relevant way, closed, with control access and ensure it cannot spill?	Pass	Factory stores hazardous wastes in a relevant way, closed, with control access and ensure it cannot spill
2.9	Is factory able to prove that hazardous wastes are transferred to 3rd party with relevant certifications, and keep records of wastes transfer including quantities?	Pass	Factory is able to prove that hazardous wastes are transferred to 3rd party with relevant certifications, and keep records of wastes transfer including quantities. The authorized disposal company is MOGGI SMALTIMENTI, Authorization FI-286112 of 23.9.16.

Picture(s)	
 <p>09/15/2020 11:43 AM</p>	 <p>09/15/2020 11:47 AM</p>
Paper waste bin	Undifferentiated Waste bin

	<p>none</p>
<p>Leather waste bin</p>	

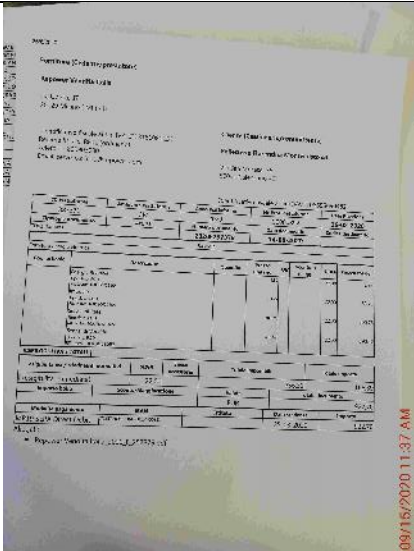
3. Waste Water, Air Emissions and Noise

Item No	Requirement	Result	Comments
2.10	Does factory inventory all waste water, including domestic waste water and industrial waste water, with sources and quantities?	Pass	Factory monitors the use of water through its Water Authority Invoice (PUBLIACQUA) of 8.5.20, since it does not use water in its production process
2.11	If applicable, is factory able to demonstrate that waste water is treated adequately before discharge, with relevant equipment and trained staff?	N/A	Factory does not use water in its production process
2.12	Is factory able to demonstrate that waste water at discharge point is meeting the local standards requirement (through lab testing reports)?	N/A	Factory does not use water in its production process
2.13	When observing waste water discharge point, does water seem to have color or odor on audit day?	N/A	Factory does not use water in its production process
2.14	Does factory inventory all air emissions, with sources and identification of treatment needed?	Minor	Factory has not yet obtained the Air Emission Authorization. In July it gave the task to the consultant Dott. Filippo Gori, seen the Contract signed on the 29/07/2020.
2.15	Is factory able to demonstrate that air quality at factory's boundaries is meeting the local standards requirement (through lab testing reports)?	Minor	Factory is not able to demonstrate that air quality at factory's boundaries is meeting the local standards requirement, because factory did not perform yet the air analysis.
2.16	On audit day, is there any smell, fog, or dust observed by auditor on factory's direct environment, linked to factory's activity?	Pass	On audit day there is no smell, fog, or dust observed by auditor on factory's direct environment, linked to factory's activity
2.17	Is factory able to demonstrate that noise level at factory's boundaries is meeting the local standards requirement (through lab testing reports)?	Pass	Factory is able to demonstrate that noise level at factory's boundaries is meeting the local standards requirement. Factory has a Noise Assessment made on 18.10.19 and regularly updated

Picture(s)	
	
Water Authority (PUBLIACQUA) invoice to monitor water usage	Consultant Filippo Gori Contract to obtain the Air Emission Authorization
	Nil
Noise Assessment	

4. Energy and Water reduction

Item No	Requirement	Result	Comments
2.18	Can factory demonstrate that energy use is monitored and that actions have been taken to reduce energy use?	Pass	Factory demonstrates energy use and monitoring by the Authority (REPOWER ITALIA) invoice of 16/08/2020.
2.19	Can factory demonstrate that water use is monitored and that actions have been taken to reduce water use?	N/A	There is only the toilet water in use.

Picture(s)	
	Nil
REPOWER ITALIA energy invoice	

Special Remarks on this section

Part 2 Environment

1. Factory has a relevant legal document to start operations called Certificato di Agibilità.
2. Factory has not yet obtained the Air Emission Authorization. In July it gave the task to the consultant Dott. Filippo Gori, seen the Contract signed on the 29/07/2020.
3. Factory is not able to demonstrate that air quality at factory's boundaries is meeting the local standards requirement, because factory did not perform yet the air analysis.

Critical NC	Major NC	Minor NC	Score /10
0	0	2	8.7/10

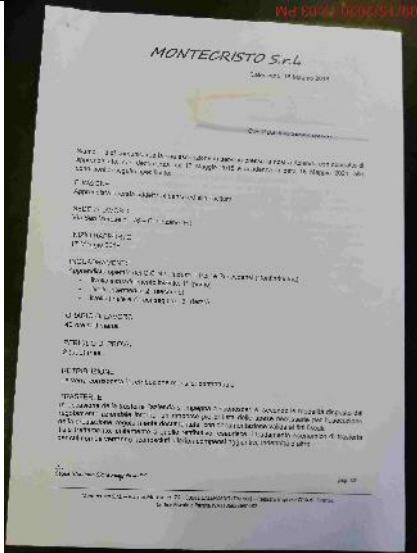
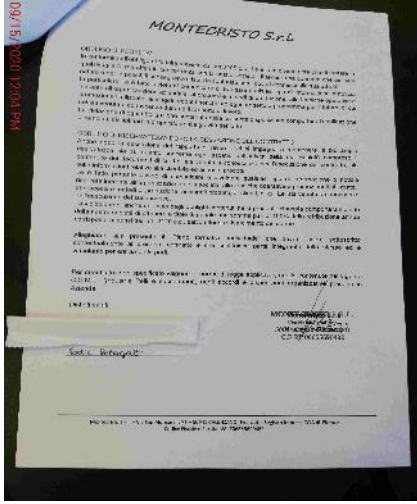
Part 3 Child Labour

1. Child Labour

Item No	Requirement	Result	Comments
3.1	Does the factory comply with the legal minimum age? Please note what this is, and the age of the youngest worker found.	Pass	Factory complies with the legal minimum age. The youngest worker is Jodi Pelagatti, 21 years old who was born on 12/01/1999.
3.2	Does the factory have effective procedures such as verifying suspected young worker documents to confirm the correct age of the worker at the time of recruitment?	Pass	Factory has hiring procedures that oblige to hire workers only over 18 years old.
3.3	Does the factory sign contracts with all workers and keep copies or records of ID documents of workers or similar way to check age?	Pass	Factory signs contracts with all workers, and keeps copies of ID documents of workers.
3.4	Does the factory understand the requirements of laws and regulations on child labour and young workers? If so, is there a written child labour policy?	Pass	Factory understands the requirements of laws and regulations on child labour and young workers and strictly follows the rules of the CBA Leather Industry (PELLE E CUOIO INDUSTRIA)
3.5	Were there any children present on the workforce but not working at the time of audit?	Pass	There were no children present during audit.

2. Young Workers

Item No	Requirement	Result	Comments
3.6	Are young workers exempted from hazardous work?	N/A	There are no young workers present during audit.
3.7	Are young workers exempted from night shift?	N/A	There are no young workers present during audit.
3.8	Are young workers exempted from overtime?	N/A	There are no young workers present during audit.
3.9	Are young workers registered and given annual health checks?	N/A	There are no young workers present during audit.

Picture(s)	
	
Worker Contract page 1	Worker Contract page 2

Special Remarks on this section

Part 3 Child Labour

1. Factory has hiring procedures that oblige to hire workers only over 18 years old.
2. Factory signs contracts with all workers, and keeps copies of ID documents of workers.

Critical NC	Major NC	Minor NC	Score /10
0	0	0	10/10

Part 4 Working Hours, Wages and Benefits

1. Working Hours

Item No	Requirement	Result	Comments
4.1	What timekeeping systems are used? (electronic, paper-based recording etc.)	For Information	Factory uses badges to register working hours of the workers.
4.2	Are standard/contracted working hours defined in all contracts/employment agreements?	Pass	Standard working hours are defined in all contracts
4.3	Are there any other types of contracts/employment agreements used? Please specify (e.g. 0 hours/Part time/Variable Hours/Other)	Pass	There are also part time contracts. There are 6 workers on Part time. They work: <ul style="list-style-type: none"> - 1 worker the 87,50% of working time; - 4 workers the 75%; - 1 worker the 70%.
4.4	Do the working hours of individual workers comply with local regulation? Do the working hours exceeds the international recommendation of 60 hours / week?	Pass	The working hours of individual workers comply with local regulation and applied CBA LEATHER INDUSTRY. No working hours exceed the international recommendation of 60 hours/week. Full time working hours are 8h per day (from 8.00 to 12.00 and from 13.00 to 17.00) + 1 h lunch break.
4.5	What were the actual overtime hours worked in sample (state per day/week/month)	For Information	Factory does not do overtime.
4.6	Do workers have 1 day off within 7 days (or 2 days off within 14 days where applicable)?	Pass	Workers have 1 day off within 7 days.
4.7	Does the factory record the working hours of individual workers in a reliable manner?	Pass	Factory records the working hours of individual workers in a reliable manner. With the pay slip it is given the workers the prospect of the worked hours in the month
4.8	Are workers given reasonable time for lunch and rest breaks?	Pass	There is 1 hour as lunch time provided to the workers.
4.9	Do workers have legal vacation, national holidays and paid leave?	Pass	Workers have legal vacation, national holidays and paid leave as per applied CBA
4.10	Is overtime voluntary?	Pass	Overtime is voluntary, but factory at the moment does not require it.
4.11	Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	Pass	Factory is not doing overtime work.
4.12	If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	Pass	If sufficient workers cannot be hired, new working time arrangements can be explored to ensure that overtime is the exception rather than the rule

Picture(s)

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2. Wages and Benefits

Item No	Requirement	Result	Comments
5.1	Is there any evidence that the legal minimum wage is not paid for regular working hours? Please specify	Pass	There is evidence that the legal minimum wage is paid for regular working hours. Workers are paid the CBA minimum wage per level. The minimum wage is always reported in the pay slip.
5.2	Are overtime hours paid with legal premium?	Pass	Factory does not do overtime work
5.3	Does the factory have written employment conditions on compensation, compensation methods and benefits that is communicated to and understood by all workers?	Pass	Factory has written employment conditions on compensation, compensation methods and benefits that are communicated to and understood by all workers. They are reported on the workers' contracts, see photo above
5.4	How are workers paid? Please specify method of payments	For Information	All workers are paid by bank transfer.
5.5	How often are workers paid? (please specify date of payment)	For Information	Workers are paid their wage within the 10 th of each month
5.6	Do workers receive a pay slip to sign that has information that will allow them to confirm their wages and see all deductions and bonuses?	Pass	Workers receive a pay slip that has information that will allow them to confirm their wages and see all deductions and bonuses
5.7	Are deductions fair, reasonable and legal (such as social insurance or other tax)? If deductions as disciplinary practices are used, are they falling under regulatory rules?	Pass	Deductions are fair, reasonable and legal. They are reported in the applied CBA and in national legislation
5.8	Please specify what deductions are made	For Information	Deductions made are: social insurance, taxes, eventually Union association, and these are all legal and reasonable.

5.9	Are all workers provided social insurance as per local legal requirements? If no, please specify what is the percentage of employees without social insurance scheme.	Pass	All workers are provided social insurance as per local legal requirements. The evidence is given by the payment of the document DM10 done on 20.8.20, in photo
5.10	Is maternity and paternity leave paid as per regulations?	Pass	Maternity and paternity leave are paid as per regulations. Last maternity leave has been the one of the worker Giulia Ciappi from 17.10.19 to 10.2.20. the documents

3. Living Wage (for reference only)

Item No	Requirement	Result	Comments
LW.1	Is the factory aware of living wage?	For Information	Factory is aware of living wage
LW.2	Is there calculation method of living wage identified by the factory for comparing basic wage of workers?	For Information	Living wage is a national calculation, it is not factory that does it. Anyway the CBA considers it and all wages there reported are over it
LW.3	Is there satisfactory evidence that the factory provides sufficient remuneration that allows workers to meet a decent standard of living?	For Information	There is evidence that the factory provides sufficient remuneration that allows workers to meet a decent standard of living. Factory follows all CBA requirements

Comparative Wage Structure

Minimum Wage (Issued by Government)	Living Wage Calculated by the Factory	Average Basic Wage for Regular Hours (full time)	Average Wage Received in Total	Living Wage Calculated by the Auditor	Difference (+/-) Between BW and LW	Difference (+/-) Between WRI and LW
950	-	1570	1650	1000	+570	+570

*BW stands for Basic Wage: This can be calculated based on the average level from sampled workers and overtime earnings should be excluded.

*LW stands for Living Wage: Please calculate LW based on the excel "Living Wage Recommended Calculation_VERSION 2.0" included in IP.

*WRI stands for Worker Representative Interviews

*When compare BW and LW, please consider LW calculated by the factory first. If a factory doesn't calculate a living wage for workers, the auditor should make the comparison between BW or WRI to LW which is calculated by auditor.

Picture(s)

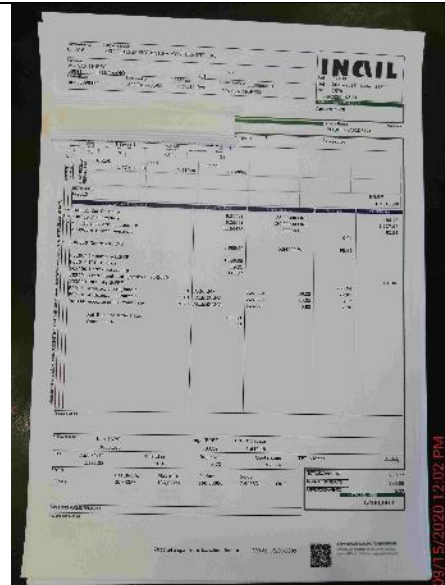
Tabella retributiva
Pelli e Cuio (Industrie)

ReVisio
software per il calcolo dei crediti di lavoro
Lo provo prima e pago dopo

Tabella in vigore dal 1-6-2018

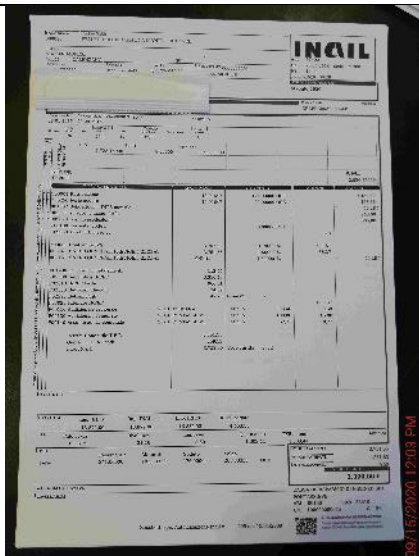
Livello	Minimo	Indennità di funzione	Totale	Scatto anzianità
6 Q	2.085,29	51,65	2.136,94	11,88
6	2.085,29		2.085,29	11,88
5	1.886,77		1.886,77	9,68
4 S	1.768,14		1.768,14	8,91
4	1.728,16		1.728,16	8,39
3	1.653,70		1.653,70	7,95
2	1.570,15		1.570,15	7,41
1	1.233,22		1.233,22	6,71

Indice CCNL



CBA Prospect of the Minimum Wage

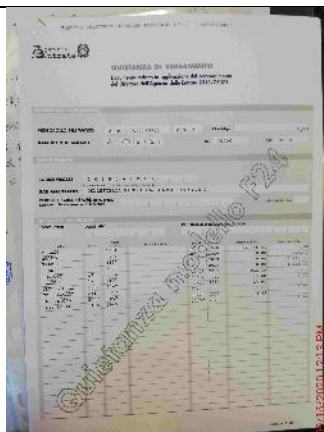
Pay slip 1



Data di Nascita		Data Assunzione		Data Cessazione		IMP		4° livello	
08-01-1985		20-09-2016							
Settimane	INPS	Ore	MINIMALE	Ore	Gioni	LAVORATO	Ore ordinaria	Ore straordinaria	Gioni
5	26		26	17		132,00			31
E.R.N.		1.728,16000		Scatti		8,39000		sup.riass	
ELEMENTI DELLA RETRIBUZIONE								1.190,00000	
PROSSIMO SCATTO		10-2020							
VOCI VARIABILI DEL MESE						IMPORTO BASE			
* Z00001 Retribuzione						1.190,00000			

Pay slip 2

Minimum wage reported on the pay slip



none

Contribution payment document (DM10)

Special Remarks on this section

Part 4 Working Hours, Wages and Benefits

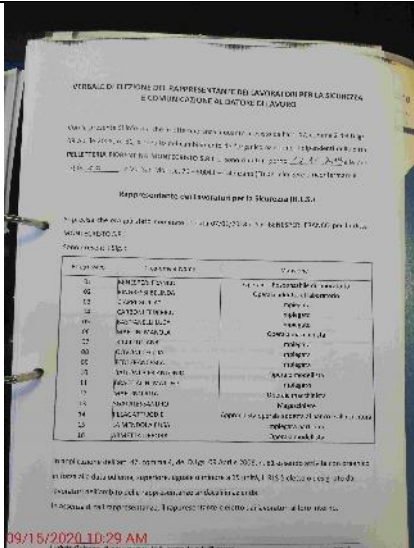

1. No working hours exceed the international recommendation of 60 hours/week. Workers have 1 day off within 7 days.
2. Workers are paid the CBA minimum wage per level. The minimum wage is always reported in the pay slip.

Critical NC	Major NC	Minor NC	Score /10
0	0	0	10/10

Part 5 Labour Practices

1. Ability for Workers to be represented towards management

Item No	Requirement	Result	Comments
6.1	If applicable by Local Law, do workers have the right to join or form trade unions and bargain collectively, without interference of employer?	Pass	Workers have the right to join or form trade unions and bargain collectively, without interference of employer.
6.2	What form of worker representation/union is there on site? e.g. union/worker committee/other	For Information	Workers have their H&S Representative, Franco Benesperi elected on 12/11/2019. They have been asked to associate in Unions but workers did not feel it necessary. There are only 16 employees and there is direct communication with management.
6.3	When did the last union meeting hold?	For Information	There is no union in the factory. All workers are covered by a Collective Bargaining Agreement, the LEATHER INDUSTRY.
6.4	Please list the name of the union(s) and the union representative	For Information	There is no union in the factory. All workers are covered by a Collective Bargaining Agreement, the LEATHER INDUSTRY.
6.5	How many workers are members of the union(s)	For Information	There is no union in the factory. All workers are covered by a Collective Bargaining Agreement, the LEATHER INDUSTRY.
6.6	Are any workers covered by a Collective Bargaining Agreement?	Pass	All workers are covered by a Collective Bargaining Agreement, the LEATHER INDUSTRY.
6.7	If there is no union, are there fair and effective parallel means to resolve grievances of workers (workers representatives...)?	Pass	There are fair and effective parallel means to resolve grievances of workers, through the Workers Representative and direct down top communication.
6.8	Is there evidence that workers cannot efficiently communicate grievances to management out of direct supervisors?	Pass	There is no evidence that workers cannot efficiently communicate grievances to management out of direct supervisors

Picture(s)	
	
Workers Representative Election Report	Workers' Representative training Record

2. Discrimination

Item No	Requirement	Result	Comments
7.1	Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation? <input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement	Pass	There is no evidence of any discrimination in terms of hiring, wage, access to training, promotion, retirement and termination.
7.2	Does the factory insist on blood tests, pregnancy or virginity tests before hiring?	Pass	Factory does not insist on blood tests, pregnancy or virginity tests before hiring.
7.3	Is there a written anti-discrimination policy?	Pass	Factory does not have any anti-discrimination policy, but it is not necessary because both CBA, national and local regulations prevent from any form of discriminatory
7.4	Is there evidence that equal rates are being paid for equal work?	Pass	Equal rates are being paid for equal work as per applied CBA.
7.5	How many women are there in skilled or technical roles e.g. where specific qualifications are needed i.e. laboratory analyst.	For Information	All 5 women present in factory are engaged in skilled roles.

3. Disciplinary Practices

Item No	Requirement	Result	Comments
8.1	Are there published, anonymous, and/or open channels available for reporting any violations of labour standards and H&S, or any other method of communicating grievances to a 3rd party?	Pass	Workers can communicate every kind of violation through their representative.
8.2	If yes, are workers aware, and do they have access?	Pass	Workers are well aware of the communication channel through their representative.
8.3	If yes, what are the mechanisms (e.g. hotline, whistle blowing, comment box)	Pass	Workers are well aware of the communication channel through their representative.
8.4	Who is the grievance mechanism for?	For Information	The grievance mechanism is for everybody (all workers).
8.5	Is mental / physical /sexual coercion forbidden and avoided in the factory? If not, please give details of the situation.	Pass	Mental / physical /sexual coercion is forbidden and avoided in the factory.
8.6	Does the factory have documented disciplinary rules that are clearly communicated to all workers?	Pass	Factory has documented disciplinary rules that are clearly communicated to all workers. They are contained in the CBA that is given to workers when hired
8.7	Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes?	Pass	Disciplinary procedure reported in the applied CBA allows for deductions from wages (fines) for disciplinary purposes until the maximum of 3 hours deduction, but factory never used that rule. Actually factory never used any disciplinary rule
8.8	Does the company keep a record of fines/disciplinary actions?	Pass	There are no disciplinary actions in factory
8.9	Are the complaint and appeal methods defined and proved to be efficient?	Pass	The complaint method is proved to be efficient

Special Remarks on this section

Part 5 Labor Practices

1. There is no union in the factory. All workers are covered by a Collective Bargaining Agreement, the LEATHER INDUSTRY.
2. There are fair and effective parallel means to resolve grievances of workers, through the Workers Representative and direct down top communication.
3. There is no evidence of any discrimination in terms of hiring, wage, access to training, promotion, retirement and termination.

Critical NC	Major NC	Minor NC	Score /10
0	0	0	10/10

Part 6 Forced Labour and Migrant Labour

POLICY			
Item No	Requirement	Result	Comments
9.1	Does the factory have a written policy prohibiting the use of Forced Labour of any kind? What language is the policy made available in?	Pass	The applied CBA and national and local regulations prohibit the use of Forced Labour.
9.2	Does the factory provide training to management and workers on policies and procedure regarding the use of Forced Labour? What language is training provided in?	Pass	Forced Labour is strictly forbidden, and workers are trained on that by their Representative. There are no migrant workers, so the language spoken is only Italian.
9.3	Does the factory knowingly use forced labour – including prison labour, trafficking, slavery, and/or indentured or bonded labour – in which workers' freedom of movement, ability to willingly leave work, and human rights are denied or severely restricted?	Pass	Factory does not use forced labour at all.
9.4	Does the factory have a resignation policy that outlines procedures and protocols to follow upon resignation? Is this in a language that all workers will understand?	Pass	The applied CBA reports the resignation procedure.
9.5	Does the factory verify that approved subcontractors have written policies and procedures in place to prevent incidents of forced labour?	Pass	Factory verifies that approved subcontractors have written policies and procedures in place to prevent incidents of forced labour
RECRUITMENT			
Item No	Requirement	Result	Comments
9.6	Are recruitment agents used to hire domestic or foreign migrant labour?	Pass	Recruitment agencies are used to hire workers, it is used mainly the Agency called MANPOWER
9.7	Are recruitment agents government registered/legally licensed?	Pass	Recruitment agencies are legally licensed.
9.8	Where are the recruitment agencies based? Please list countries	For Information	Recruitment agencies are based in the nearest city, FLORENCE.

9.9	<p>Does the factory ensure workers are not responsible for any fees paid to agencies or the factory in exchange for employment, nor for medical examinations (if they are mandatory), nor for inbound or outbound travel costs?</p> <p>If workers are liable for fees, please check below boxes and give amounts. Does it violate local laws and regulations?</p> <p><input type="checkbox"/> Job Application Fee – Amount/Payee:</p> <p><input type="checkbox"/> Administrative, overhead or document processing fees – Amount/Payee:</p> <p><input type="checkbox"/> Training Fee – Amount/Payee:</p> <p><input type="checkbox"/> Body Check or medical screenings Fee – Amount/Payee:</p> <p><input type="checkbox"/> Any other non-monetary assets</p> <p><input type="checkbox"/> Other fee (Please state specifically)</p>	Pass	<p>Factory ensures workers are not responsible for any fees paid to agencies or the factory in exchange for employment, nor for medical, nor for inbound or outbound travel costs. Workers are not reliable for fees.</p>
9.10	<p>Does the factory provide copies of the labour contracts that migrant workers receive, in a language that they understand?</p>	Pass	<p>There are no migrant worker, but in any case factory treats them in the same way as domestic employees</p>
9.11	<p>Does the factory ensure that at a minimum, the contract between the agency and the factory includes:</p> <ul style="list-style-type: none"> • Fees the factory will pay the agency (if any fees apply) • Wages (regular, overtime, and holiday) • Working hours (regular, overtime, and holiday) • Job description and required job skills • Contract term, including start and end dates 	Pass	<p>Factory ensures that at a minimum, the contract between the agency and the factory includes:</p> <ul style="list-style-type: none"> - Fees the factory will pay the agency - Wages (regular, overtime, and holiday) - Working hours (regular, overtime, and holiday) - Job description and required job skills - Contract term, including start and end dates
9.12	<p>Does the factory ensure that if a contract exists between the agency and the migrant worker, it is written in the workers' local language and includes detail on:</p> <ul style="list-style-type: none"> • Wages (regular, overtime, and holiday) • Working hours (regular, overtime, and holiday) • Living conditions to expect • Benefits and insurance that will be provided by the agency • Job description and required job skills • Contract duration 	Pass	<p>Factory ensures that if a contract exists between the agency and the migrant worker, it is written in the workers' local language and includes detail on:</p> <ul style="list-style-type: none"> - Wages (regular, overtime, and holiday) - Working hours (regular, overtime, and holiday) - Living conditions to expect - Benefits and insurance that will be provided by the agency - Job description and required job skills - Contract duration
9.13	<p>Does the factory ensure that if a contract exists between the agency and each migrant worker, copies are readily available at the audited site at all time?</p>	Pass	<p>Factory ensures that if a contract exists between the agency and each migrant worker, copies are readily available at the audited site at all time</p>

9.14	<p>Does the factory ensure that the contract between the factory and worker is consistent with (or better than) the contract between the agency and worker?</p> <p>At a minimum, the contract shall be written in the workers' local language and include:</p> <ul style="list-style-type: none"> • Wages (regular, overtime, and holiday) • Working hours (regular, overtime, and holiday) • Living conditions to expect • Benefits and insurance that will be provided by the agency • Job description and required job skills • Contract duration • Termination policies (including terms for being sent back to the sending country) 	Pass	<p>Factory ensures that the contract between the factory and worker is consistent with (or better than) the contract between the agency and worker.</p> <p>At a minimum, the contract shall be written in the workers' local language and include:</p> <ul style="list-style-type: none"> • Wages (regular, overtime, and holiday) • Working hours (regular, overtime, and holiday) • Living conditions to expect • Benefits and insurance that will be provided by the agency • Job description and required job skills • Contract duration • Termination policies (including terms for being sent back to the sending country)
9.15	Does the factory verify with foreign/migrant workers that their contracts were freely signed?	Pass	Factory verifies with foreign/migrant workers that their contracts were freely signed
9.16	Do workers pay any deposits or fees to secure work? If so, what are the deposits and fees?	Pass	Workers never pay any deposits or fees to secure work.
9.17	Does the factory deduct from migrant workers' wages any fees or deposits associated with their recruitment?	Pass	Factory never deducts from migrant workers' wages any fees or deposits associated with their recruitment

IN COUNTRY – RESTRICTIONS ON WORKERS

Item No	Requirement	Result	Comments
9.18	<p>Does the factory ensure that all migrant workers go through an orientation at the factory to review the following points (written in workers' local language):</p> <ul style="list-style-type: none"> • Job training • Health and safety • Factory policies and rules • Grievance systems and process • Termination policies (including terms for being sent back to the sending country) 	Pass	<p>Factory ensures that all migrant workers go through an orientation at the factory to review the following points (written in workers' local language):</p> <ul style="list-style-type: none"> • Job training • Health and safety • Factory policies and rules • Grievance systems and process • Termination policies (including terms for being sent back to the sending country)
9.19	Does the factory confiscate any original personal documents of workers?	Pass	Factory never confiscates any original personal documents of workers.
9.20	Does the factory ensure that each migrant worker understands that neither the agency nor factory shall retain a worker's passport for any reason other than processing work visas?	Pass	Factory ensures that each migrant worker understands that neither the agency nor factory shall retain a worker's passport for any reason other than processing work visas

9.21	Does the factory require workers to live in factory owned or controlled residences? Please specify if these are on site or off side residences.	Pass	Factory never requires workers to live in factory owned or controlled residences.
9.22	Does the factory impose unreasonable curfews in dormitories that restrict the movement of workers during their leisure time.	Pass	Factory never imposes unreasonable curfews in dormitories that restrict the movement of workers during their leisure time.
9.23	Does the factory restrict the amount of times a worker can use the toilets?	Pass	Factory never restricts the amount of times a worker can use the toilets.
9.24	Does the factory provide workers with appropriate benefits such as meals, beverages, rest breaks, transportation, etc., during overtime work hours as required by law or as per factory mandates?	Pass	Factory provides workers with appropriate benefits such as meals, beverages, rest breaks, etc., during eventual overtime work hours as required by law. Anyway factory does not ask for overtime work
9.25	Does the factory restrict foreign migrant workers from joining unions?	Pass	Factory never restricts foreign migrant workers from joining unions.
9.26	Does the factory treat such migrant workers fairly - the same terms and conditions of employment as national employees	Pass	Factory treats such migrant workers fairly - the same terms and conditions of employment as national employees

WAGES

Item No	Requirement	Result	Comments
9.27	Does the factory pay any labour brokers the worker's wages, benefits or bonuses?	Pass	Factory never pays any labour brokers the worker's wages, benefits or bonuses.

TERMINATION OF EMPLOYMENT

Item No	Requirement	Result	Comments
9.28	Does the factory prevent workers from resigning from employment with reasonable notice?	Pass	Factory never prevents workers from resigning from employment with reasonable notice.
9.29	Does the factory refuse to return the worker's savings as the deposit at the end of the contract or upon resignation?	Pass	Factory never refuses to return the worker's savings as the deposit at the end of the contract or upon resignation.
9.30	Does the factory unnecessarily delay the granting of permission for workers to leave the workplace (workers may face reasonable penalties for not following agreed upon company rules)?	Pass	Factory never unnecessarily delays the granting of permission for workers to leave the workplace.
9.31	Does the factory ensure that, in addition to any legal requirements of the host country and country of origin regarding repatriation of foreign workers, at the completion of the employment relationship, or earlier upon termination of employment, the contractor provides return air or land transport tickets to any foreign worker	Pass	Factory ensures that, in addition to any legal requirements of the host country and country of origin regarding repatriation of foreign workers, at the completion of the employment relationship, or earlier upon termination of employment, the contractor provides return air or land transport tickets to any foreign worker hired or recruited by the contractor from another country.

	hired or recruited by the contractor from another country?		
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Special Remarks on this section

Forced Labour is strictly forbidden, and workers are trained on that by their Representative. There are no migrant workers, so the language spoken is only Italian.

Critical NC	Major NC	Minor NC	Score /10
0	0	0	10/10

B. Employee's interview

Interview Nb	Dept.	Comments*
1	Warehouse	Workers said that the climate is good, there are good relationship with management who listen to their eventual complains. They are happy to work in factory. Salaries are always paid on time. Working time is flexible according to the workers needs
2	Reception	
3	Production	
4	Admin Office	
5	Sales Office	
6-7-8	Production	

* Comments:

During the interviews, if any data is found that contradicts findings of Audit Part A (such as: fake birth date or fake date of hire), the whole related section in Audit Part A must be scored 0. No details of employees interviews are available in report in order to protect employees confidentiality. It can provided upon request

Worker Interview Summary		
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Total – interviewed sample size:	8 workers	
Number of group interviews: (Please specify number and size of groups.)	1 of 3 workers	
Number of individual interviews	Male: 6	Female: 2
All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, please give details	
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	They had no complaints
What did the workers like the most about working at this site?	Flexible working time
Any additional comment(s) regarding interviews:	none
Attitude of workers to hours worked:	Very favorable
Is there any worker survey information available?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please give details: Worker in production age 35, male	
M: Attitude of workers: <i>The relationship with colleagues is good. They feel to work as a team</i>	
N: Attitude of worker's committee/union reps: <i>The workers report that the relation with the workers' representative is strict and useful</i>	
O: Attitude of managers: Managers are very communicative with workers and attentive to their needs.	

C. Corrective Action Plan

Client	LIBERTY LONDON	QIMA Service No	R-Cloud-2079694
Supplier	Pelfin SRL	Auditor(s)	Annetta Madlaina Crastan
Factory	Pelfin SRL	Date	15-Sep-2020
Industry	Textile, Apparel, Footwear & Accessories	Country	ITALY

Item No	Result	Finding/Violation	Corrective Action	Factory estimated date for Completion
1	Minor	Last fire drill has been made on 12/11/2019, but there is no evidence of who among the employees participates at the fire drill.	It is recommended that factory attaches at the Drill Report the signed list of the participants	TBD
2	Minor	Factory has not yet obtained the Air Emission Authorization. In July it gave the task to the consultant Dott. Filippo Gori, it has been seen the Contract signed on the 29/07/2020.	It is recommended that factory obtains the Air Emission Authorization	TBD
3	Minor	Factory is not able to demonstrate that air quality at factory's boundaries is meeting the local standards requirement, because factory did not perform yet the air analysis.	It is recommended that factory fulfils the requirement to analyse its air emissions	TBD

QIMA maximum suggested timings for implementation of Corrective Actions are:

- 7 Days to submit Action Plan + 30 Days to book a follow-up audit for Critical NCs
- Audit date + 30 days for Major NCs
- Audit date + 90 days for Minor NCs

IMPORTANT NOTES

THE ABOVE RESULT(S) REFLECT(S) QIMA LIMITED'S FINDINGS AT THE TIME AND PLACE OF AUDIT. WITH REGARD TO THE RANDOM SAMPLE CHARACTER OF THE AUDIT, IT SHOULD BE NOTED THAT ADDITIONAL NONCONFORMITIES MAY EXIST, WHICH WERE NOT FOUND DURING THE AUDIT. THE AUDITOR'S FINDINGS DO NOT RELIEVE THE FACTORY OF ITS RESPONSIBILITY TO ENSURE THAT THE REQUIREMENTS OF THE STANDARD ARE FULFILLED AND CONSTANTLY ADHERED TO.

Factory Disclaimer

QIMA
FACTORY ALIENATION STATEMENT

To be signed and signed by the factory representative

I, the undersigned, hereby declare that I am the authorized representative of the factory and I have read and understood the QIMA Code of Conduct and the QIMA Factory Alienation Statement. I have agreed to the terms and conditions of the QIMA Code of Conduct and the QIMA Factory Alienation Statement and I have signed the QIMA Code of Conduct and the QIMA Factory Alienation Statement.

Signature: *[Handwritten Signature]*

Date: 09/15/2020 06:38 PM

Original signature of the Factory Representative accepting QIMA policy including bribery issues.

Confirmation of Compliance with QIMA Code of Conduct

QIMA
Confirmation of Compliance with QIMA Code of Conduct

To be signed and signed by the factory representative

I, the undersigned, hereby declare that I am the authorized representative of the factory and I have read and understood the QIMA Code of Conduct and the QIMA Factory Alienation Statement. I have agreed to the terms and conditions of the QIMA Code of Conduct and the QIMA Factory Alienation Statement and I have signed the QIMA Code of Conduct and the QIMA Factory Alienation Statement.

Signature: *[Handwritten Signature]*

Date: 09/15/2020 06:38 PM

QIMA
Attendance List

To be signed and signed by the factory representative

I, the undersigned, hereby declare that I am the authorized representative of the factory and I have read and understood the QIMA Code of Conduct and the QIMA Factory Alienation Statement. I have agreed to the terms and conditions of the QIMA Code of Conduct and the QIMA Factory Alienation Statement and I have signed the QIMA Code of Conduct and the QIMA Factory Alienation Statement.

Signature: *[Handwritten Signature]*

Date: 09/15/2020 06:38 PM

Original signature of the Factory Representative confirming that auditor respected QIMA Code of Conduct.

Corrective Action Plan

Q I M A Ethical Audit Report 2019

C. Corrective Action Plan

Client: **18777-00001** Date of audit: **13/01/2020**
 Supplier: **FAIR SIA** Site: **13/01** Factory: **Guangzhou China**
 Factory: **13/01** Date: **20 September 2020**
 Auditor: **13/01** Status: **13/01**

No.	Issue	Findings/Issues	Corrective Action	Factory representative signature
1	SAFETY	Findings: 1. No safety training for workers. 2. No safety equipment for workers. 3. No safety equipment for workers.	1. Safety training for workers. 2. Safety equipment for workers. 3. Safety equipment for workers.	2/12/20
2	ENVIRONMENT	Findings: 1. No environmental protection measures. 2. No environmental protection measures.	1. Environmental protection measures. 2. Environmental protection measures.	2/12/20
3	LABOUR	Findings: 1. No labour protection measures. 2. No labour protection measures.	1. Labour protection measures. 2. Labour protection measures.	2/12/20

IMPORTANT NOTES:
 The factory representative has agreed to the findings and corrective action plan. The factory representative has signed the corrective action plan. The factory representative has signed the corrective action plan.

09/15/2020 06:38 PM

Original signature of the Factory Representative agreeing with the Audit Findings and Corrective Action Plan defined.

END