



# SMETA Corrective Action Plan Report (CAPR)

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 414591517	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 414598928
Business name (Company name):	Taizhou Yibai Autoparts Co., LTD		
Site name:	Taizhou Yibai Autoparts Co., LTD 台州亿百汽车零部件有限公司		
Site address: <i>(Please include full address)</i>	Zhongshan Village, Chumen Town, Yuhuan City, Zhejiang Province  浙江省玉环市楚门镇中山村	Country:	China
Site contact and job title:	Mr. Hui Zhang / HR Manager		
Site phone:	86-13386571728	Site e-mail:	1923069707@qq.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	17/February/2022		

<b>Audit Company Name &amp; Logo:</b>  <b>TÜVRheinland®</b> Precisely Right. TUV Rheinland (Shanghai) Co., Ltd.	<b>Report Owner (payer):</b> Taizhou Yibai Autoparts Co., LTD
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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): Nil

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

Lead auditor: John Huang

Team auditor: N/A

Interviewers: John Huang

Report writer: John Huang

Report reviewer: Ina Zeng

Date of declaration: 17/February/2022

*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: 08:30 Day 1 Time out: 17:00	Day 2 Time in: N/A Day 2 Time out: N/A	Day 3 Time in: N/A Day 3 Time out: N/A
B: Number of auditor days used:	One auditor in 1 day		
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. Hui Zhang / HR 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:	19/April/2021		
J: Previous audit type:	Full initial audit-2 Pillars		
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 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 re-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  3 Conditions are Safe and Hygienic -01	Carried over	As per onsite observation, it was noted about 70% of workers exposed to high noise in the metal machining workshop did not wear ear plugs which were provided by the factory. 基于现场观察，发现在金属加工车间大约 70%接触高噪音的工人未佩戴工厂提供的耳塞。	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	It is recommended that employees should be trained and enforced to use Personal Protection Equipment properly. 建议培训和加强员工正确地使用个人防护用品。	30 days	Desktop	Agreed. Mr. Hui Zhang / HR Manager		
NC2  3 Conditions are Safe and Hygienic -02	Carried over	As per onsite observation, it was noted that no safe lock was installed for the hooks of one crane in the cutting workshop. 基于现场观察，发现切割车间一台 行车的挂钩没有保险扣。	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should install safe lock for all the hooks of crane. 工厂应该为所有行车的挂钩安装保险扣。	30 days	Desktop	Agreed. Mr. Hui Zhang / HR Manager		



<p>NC3</p> <p>3 Conditions are Safe and Hygienic -03</p>	<p>Carried over</p>	<p>It was noted that there was no anti-leakage facility (e.g. secondary container) in the chemicals usage and storage areas for 30% of liquid chemicals, such as cutting compound etc.          审核员发现工厂没有为化学品使用和存放区的 30%的液体化学品设置防渗漏设施/二次容器, 如乳化切削液等。</p>	<p><input type="checkbox"/> Training  <input type="checkbox"/> Systems  <input type="checkbox"/> Costs  <input type="checkbox"/> lack of workers  <input type="checkbox"/> Other – please give details:</p>	<p>It is recommended that management adopt practices and controls to ensure that the anti-leakage facility (e.g. secondary container) is used for all liquid chemicals.          建议工厂为液体化学品设置防渗漏设施/二次容器。</p>	<p>30 days</p>	<p>Desktop</p>	<p>Agreed.          Mr. Hui Zhang / HR Manager</p>		
<p>NC 4</p> <p>5 Living Wages and Benefits -01</p>	<p>Carried over</p>	<p>Not all workers were provided with social insurance. There were total 64 employees hired at the factory during audit date, 11 employees were retirees hired to work again, 10 employees were new hired after Jan. 2022 and 2 employees were resigned since Jan. 2022, so the factory should provide social insurance to 45 employees in Jan. 2022. The factory provided social insurance receipts from Feb. 2021 to Jan. 2022 for review, As per the social insurance receipts in Jan. 2022 and management review, 34 employees were not provided with retirement insurance, medical insurance, unemployment</p>	<p><input type="checkbox"/> Training  <input type="checkbox"/> Systems  <input type="checkbox"/> Costs  <input type="checkbox"/> lack of workers  <input type="checkbox"/> Other – please give details:</p>	<p>The factory should purchase social insurance for all workers according to the law.          工厂应该按照法律法规给全体员工购买社会保险。</p>	<p>60 days</p>	<p>Desktop</p>	<p>Agreed.          Mr. Hui Zhang / HR Manager</p>		

		<p>insurance and child-bearing insurance, 2 employees were not provided injury insurance in Jan. 2022.</p> <p>Remark: The factory provided commercial insurance to all employees were retirees hired to work again and employees who were not provided with injury insurance, which was valid from 26 Feb. 2021 to 25 Feb. 2022.</p> <p>不是所有员工都提供社保。工厂审核当天一共雇佣了64名员工，11名为退休返聘员工，2022年1月后有10名新进员工，自2022年1月开始2名员工辞职。因此工厂应该在2022年1月为45名员工提供社会保险。工厂提供了2021年2月至2022年1月的社保凭证供审核，根据2022年1月的社保凭证和管理访谈，在2022年1月，工厂未给34名员工提供养老、医疗、失业和生育保险。未给2名员工提供工伤保险。</p> <p>备注：工厂为全部退休返聘员工和未交工伤保险的员工购买商业意外保险，有效期从2021年2月26日到2022年2月25。</p>							
NC 5 6 Hours are not Excessive	Carried over	Based on attendance records from 1 Mar. 2021 to audit day review, it	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs	It is recommended that the factory should reduce the	60 days	Follow up	Agreed. Mr. Hui Zhang / HR Manager		

-01		<p>was found that workers' monthly overtime hours exceeded 36 hours in each months. Three sampled months Dec. 2021 (current paid month), May 2021 and Sep. 2021 were randomly selected. It was found that 10 out of 10 workers' monthly overtime was 78-86 hours in Dec. 2021, 10 out of 10 workers' monthly overtime was 72-80 hours in May 2021 and 10 out of 10 workers' monthly overtime was 70-82 hours in Sep. 2021.</p> <p>根据 2021 年 3 月 1 日到审核当天的考勤记录, 在每月份工人的月加班时间超过了法律规定的 36 小时。抽样的三个月 2021 年 12 月, 2021 年 5 月和 2021 年 9 月中, 显示抽样的 10 名员工中 10 名员工的月加班在 2021 年 12 月为 78-86 小时, 抽样的 10 名员工中 10 名员工的月加班在 2021 年 5 月为 72-80 小时, 抽样的 10 名员工中 10 名员工的月加班在 2021 年 9 月为 70-82 小时。</p>	<input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>overtime to ensure the monthly overtime hours within 36 hours per month.</p> <p>建议工厂应该减少加班确保月加班工时在 36 小时以内。</p>					
NC 6 8A Sub-Contracting and Homeworking -01	Carried over	As per onsite observation, management interview and document review, the plating process was sub-contracted, factory management stated	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	The factory should provide positive evidence to prove that the sub-contracting of the plating process was notified to	30 days	Desktop	Agreed. Mr. Hui Zhang / HR Manager		

		<p>that main client was aware of this situation, but the factory failed to provide positive evidence to prove that the sub-contracting of the plating process was notified to main client and agreed by them.</p> <p>根据现场观察，管理访谈和文件审核，电镀工序被分包，工厂管理层表示他们的主要客户知道这个情况，但是工厂没有提供充分的证据证明电镀工序分包是告知主要客户并得到主要客户同意的。</p>		<p>main client and agreed by them.</p> <p>工厂应该提供充分的证据证明电镀工序分包是告知主要客户并得到主要客户同意的</p>					
<p>NC 7 10B Other issue areas 10B2: Environment 2-Pillar -01</p>	New	<p>The factory failed to provide hazardous waste transfer records of past 12 months for review, such as waste chemicals and waste empty containers with chemicals.</p> <p>工厂未提供过去 12 个月的危险废物转移记录供审核，如废弃化学品和废弃化学品空桶等。</p>	<p><input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>The factory should transfer the hazardous waste to a qualified unit and keep the hazardous waste transfer records.</p> <p>工厂应将危险废物转移到有资质的单位，并保存危险废物转移记录。</p>	30 days	Desktop	<p>Agreed. Mr. Hui Zhang / HR Manager</p>		

**Corrective Action Plan – Observations**

<b>Observation Number</b> <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	<b>New or Carried Over</b> <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	<b>Details of Observation</b> <i>Details of Observation</i>	<b>Root cause</b> <i>(completed by the site)</i>	<b>Any improvement actions discussed</b> <i>(Not uploaded on to SEDEX)</i>
		Nil		

**Good examples**

<b>Good example Number</b> <i>The reference number of the good example from the Audit Report, for example, Discrimination No.7</i>	<b>Details of good example noted</b>	<b>Any relevant Evidence and Comments</b>
	Nil	

## 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. Hui Zhang	Title: HR Manager Date: 17/February/2022
B: Auditor Signature:	John Huang	Title: Lead Auditor Date: 17/February/2022
<p>C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.          Nil</p>		
<p>D: I dispute the following numbered non-compliances:          Nil</p>		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)	Mr. Hui Zhang	Title: HR Manager Date: 17/February/2022
<p>F: Any other site Comments:          The factory was located at "No. 7 West Huanbao Road, Zhongshan Industrial Zone, Chumen Town, Yuhuan City, Zhejiang Province, China", however, the address on business licence was "Zhongshan Village, Chumen Town, Yuhuan City, Zhejiang Province, China". The factory wanted to use the address of business license "Zhongshan Village, Chumen Town, Yuhuan City, Zhejiang Province, China" on the report which was same as "No. 7 West Huanbao Road, Zhongshan Industrial Zone, Chumen Town, Yuhuan City, Zhejiang Province, China".</p>		

## 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:

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[Click here for Supplier \(B\) members:](#)

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