



TECHNICAL REPORT

GM GENERIC FACTORY AUD

FACTORY ASSESSMENT SERVICES		REPORT NO.		
Audit Company: SGS		FA1901-000080		
AUDITOR NAME	AUDIT DATE	AUDIT TYPE	REPORT DATE	REPORT VER.
	09/01/2019	Initial	14/01/2019	1
FACTORY DETAILS				
Factory Name (N/A if withheld)		F004701 - Zhejiang Huangyan Jingcheng Mould&plastic Factory		
Address of Assessed Factory (City-Province-Postal Code - Country)		浙江省台州市黄岩区宁溪宁川东路47号, 台州, 浙江, 318023, CN-China		
RESULT SUMMARY				
Factory Audit Template:	GM GENERIC FACTORY AUDIT			
Green	Meets Criteria		34	
Amber	Fails Criteria		10	
Red	Fails Criteria		1	
N/A	Not Applicable		10	
FINAL SUMMARY				
Detail: Factory strengths/weaknesses; Recommendations for improvement/development				
<p>Please note that this factory provide plastic products and lighting products for Kmart. But the factory did not produce Kmart products on audited day.Actual found the STRING BALL LIGHT(order #18687184, key code #42496687) ,PLASTIC WOVEN HAMPER(order #16886388, key code #42494300) and HIP HUGGER LAUNDRY(order #16886368, key code #42567479) had been finished and waiting for shipping in this site recently.</p> <p>Main process in the factory was: Raw material-Injection molding-Assembly-Inspection-Packing.</p> <p>No subcontractors were used by the factory.</p> <p>The overall result is GREEN</p>				
CONCLUSION & RECOMMENDATIONS				
Gold		Factory generally meets the quality requirement on critical and major areas with only minor issues being identified. Any 'Corrective Action Plans' or improvements required actioning within the specified time frame. Subsequent audits will be arranged subject to business requirement.		
Amber		Issues of major concerns were identified or suspected as listed on the report. Improvements need to be made within the specified timeframe on the report and a re-audit maybe required to assess the corrective actions.		
N/A				
Green	X	Factory generally meets the quality requirement on major areas. Any 'Corrective Action Plans' or improvements required actioning within the specified time frame. Subsequent audits will be arranged subject to business requirement.		
Red		Issues of critical and major concerns were identified or suspected as listed on the report. Improvements need to be made within the specified timeframe on the report and a re-audit maybe required prior to further orders being placed.		
Blue				



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CORRECTIVE ACTION PLAN

Pt.	Non-Compliance	Photo No.	Corrective Action Advised	Proposed Completion Date
	Purchased materials are subject to incoming QC inspections to meet agreed specification or requirement?	1	Update inspection specification and increase insulator elongation test.	08/02/2019
	Incoming goods stored in a clean, safe, dry area with appropriate lighting and temperature?	2	Clean up the warehouse again and strengthen 5S management of the company.	08/02/2019
	Quality records are maintained for raw materials?	3,4	1.Retrain QC, require some key test data must be reflected in the report, improve the quality of the report. 2.Remake IPC inspection report,Update the sample size:S-3 to S-4 for PVC box , This is consistent with the inspection	08/02/2019
	IPQC checks carried out during production?	5	Retrain QC, require some key test data must be reflected in the report, improve the quality of the report.	08/02/2019
	A formal system in place for corrective action of non-conforming products?	6	Retrain QC and require related detailed records to be described in the corrective and preventive report.	08/02/2019
	Factory has traceability system of materials from source to finished products and vice versa?	7	Establish a product traceability mechanism.Clear identification of relevant raw materials, semi-finished products and finished products	08/02/2019
	Inspection records are maintained properly?	8	Retrain QC, require some key test data must be reflected in the report, improve the quality of the report.	08/02/2019
	Effective system in place for monitoring goods at storage area before leaving the factory?		Improve the warehouse management mechanism, formulate the product out and in storage management.	08/02/2019
	Test records are maintained properly?		Improve test management,A test record should be kept each time the test is completed	08/02/2019
	Workers use Personal Protective Equipment (PPE) relevant to the area?	9	The factory should ensure that PPE such as earplug and mask was used for the operators worked in workshop.	08/02/2019
	Hazardous chemicals are stored in an appropriate area with Material Safety Data Sheet available?	10	Add a secondary container to the chemical to prevent it from being found leaking.Post the corresponding MSDS in the relevant area	08/02/2019

Recommended Re-Assessment Date 08/01/2021 (Date-Month-Year)

FACTORY PROFILE

Factory Name Zhejiang Huangyan Jingcheng Mould&plastic Factory

Address 浙江省台州市黄岩区宁溪宁川东路47号



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Phone		Fax		
E-mail Address		ABN / Business No.		
Product Range	Customers	Market	Detail % of volume for each market	
		American European Australia/New Zealand Japan Other	----- ----- ----- ----- -----	
Factory capacity				
Port of Loading		Year Established		
Peak Season		Total No. of Employees		
Floor Space (Sq M)		Number of QA/QC		
Number of Shifts				
What products does the factory supply to Kmart?				
Vendors				
V100012 - Ningbo Winpex Imp.& Exp.Co.,Ltd,V001178 - Solar Tech International Co.,limited				
Factory Quality Processes				
Does the factory have a Quality Manual? (If yes, please provide documentation in the Attachment Tab)	*	Yes	No	
Does the factory have a Quality Manager to handle quality issues?	*	Yes	No	
Does the factory have an Organizational Chart? (If yes, please provide documentation in the Attachment Tab)	*	Yes	No	
Has the factory been audited for social compliance? (If yes, please attach audit documentation in the Attachment tab)	*	Yes	No	
Does the factory have any third party quality system certification? (e.g ISO, GMP, BRC, HACCP, SQF or others) If yes, please specify	*	Yes	No	ISO9001-2008
Has this factory been audited and accredited to an International Standard or Retailer? If yes please provide audit documentation		Yes	*	No
Does the factory have access to Kmart Standards and policies from the Kmart e-trading website http://et.supplier.kmart.com.au/ ?	*	Yes	No	
Does the factory have relevant Australian Standards?	*	Yes	No	
Does the factory have "in-house" testing facilities/laboratory? If yes, please list laboratory capabilities	*	Yes	No	物理测试
List 3rd party testing laboratories used:		Yes	No	SGS, TUV, ITS
Does the factory have research & development (R&D) facilities? If yes, list capabilities	*	Yes	No	Make new mould
Does the factory have metal contamination equipment and procedures? If yes, attach a brief outline		Yes	*	No
Subcontractors / Business Partners				
Does the factory have an approved vendor / subcontractor list? (If yes, please provide documentation in the Attachment Tab)		Yes	*	No
How often are subcontractors audited?		Yes	No	
Ethical Sourcing				
Does the factory have Ethical Sourcing Certification from any other retailer or 3rd party body? If yes, please list per below	*	Yes	No	
-Certifying body or retailer		Yes	No	TUEV NORD GROUP
-Audit certificate number		Yes	No	346494
-Date of audit		Yes	No	2016-12-13
-Audit status		Yes	No	C



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Please click the below link for the details of the Kmart Ethical Sourcing Program. http://et.supplier.kmart.com.au/EthicalSourcingCodeProgram/EthicalSourcingCodeDocuments/tabid/157/Default.aspx		Yes		No	
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A. MATERIAL CONTROL

No	Description	Green	Amber	Red	N/A				Comments
1	Purchased materials are subject to incoming QC inspections to meet agreed specification or requirement?		X						The factory established in-coming material inspection specifications and defined the sampling plan was GB2828 General S-4, AQL 0(Cri)/ 1.5(Maj)/ 2.5(Min), and sample size 5pcs per lot was checked for dimension, function and moisture etc.,but actual found the elongation of Insulator not defined in the electric wire of in-coming material inspection specifications ,but it is defined in the IPQC record.
2	Proper handling procedures for non-conforming materials (e.g. suitably segregated with clear identification)?	X							Based onsite observation, there was waiting inspection area,passed inspection material area and non-conformancematerial area in the raw material warehouse
3	Incoming goods stored in a clean, safe, dry area with appropriate lighting and temperature?		X						The main raw material was plastic,etc in the raw material warehouse, and the store condition for temperature and humidity was monitored, the area was dry, safe with appropriate lighting and temperature.but found the parts of raw warehouse was clutter.
4	Critical raw materials tested against legal, quality and safety requirement?	X							The raw materials such as plastic etc. were provided test report to prove its compliance with relevant safety regulation such as XRF,static loading test,CE marking,and REACH,RoHS for heavy metal content, formaldehyde and etc. Besides, the factory tested it in 3rd party lab once per
5	Quality records are maintained for raw materials?		X						The factory established in-coming material inspection specifications and defined the sampling plan was GB2828 General S-4, AQL 0(Cri)/ 1.5(Maj)/ 2.5(Min), and sample size 5pcs per lot was checked for dimension, function and moisture etc.. Sampled incoming material of PVC box and string lights, the inspection records were provide for them. IQC records were kept in files.However, there are still the following deficiencies, such as: (1)Only qualified results are provided, unable to provide test data in IQC report. (2)found the sample size is S-3 written in IPC report of PVC box,but it is S-4 difined in in-coming material inspection specifications.
6	An approved raw material supplier program in place?				X				
7	Raw materials are subject to appropriate preparation procedures before production (e.g. mechanical sorting, screening) when necessary?				X				

B. PRODUCTION CONTROL

No	Description	Green	Amber	Red	N/A				Comments
1	The latest specification or reference sample available at production?	X							Based onsite observation, actual found the latest specification or reference sample available by factory.
2	IPQC checks carried out during production?		X						The factory established the IPQC criterion including first piece verifying, patrol inspection . The first piece verifying, patrol inspection records were provided for review.but actual found Only qualified results are provided, unable to provide test data in IPQC report.
3	Proper handling procedures for non-conforming products at production (e.g. suitably segregated with clear identification)?	X							The factory had non-conforming product control procedure.and based onsite observation, Found non compliant products were put into non conforming area at the most key processes.
4	A formal system in place for corrective action of non-conforming products?		X						The non-conforming products were reworked and reinspected.Corrective action records were carried out and provided for review.but actual found the corrective and preventive record is just general description such as strengthening training and strengthening inspection.
5	Non-conforming quality records are maintained?	X							The reworked products would be re-inspected. The relevant handling records were provided for review.
6	Production area is clean, safe and dry with appropriate lighting and temperature?	X							Found the most of production area was clean, safe and dry with appropriate lighting and temperature.
7	Workers are suitably trained and are capable of doing their jobs accurately and safely?	X							Worker were skillful based on workers interview and on-site observation. Annual training plan is in place and most of training records were provided for review.
8	Smoking, drinking and eating at designated area only?	X							Smoking is forbidden in production area. The eating area and drinking area was designated onsite.
9	Procedures in place for controlling re-work or work-in-progress?	X							The factory established the corrective action procedure. The NC products were reworked and re-inspected based onsite confirm.
10	Customer feedback is monitored, reviewed and followed up properly?	X							The factory had established the customer-related processes control procedure and the customer satisfaction measurement control procedure, the factory had provided the disposal records of the customers' feedback.
11	Factory has traceability system of materials from source to finished products and vice versa?		X						Based on sample review,The factory has established product traceability procedures , found most of raw material ,semi-product and finished product with indentification tag, onsite found part of material or semi-product without any indentification information.and found part of indentification tags were without order number,date code or factory internal production number for sufficient traceability.



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12	Equipment and machinery are properly installed and maintained in good condition?	X								The facility and equipment control procedure and equipment maintenance plan was set up. The factory established equipment list and annual maintenance plan.
13	Factory is maintained in hygienic and good condition (e.g. factory building in good order, floor/window/walls in good repair)?	X								A written construction maintenance management procedure was established in place and implemented properly. Through site tour, factory buildings were maintained in good conditions, and no evidence of leaking roofs, broken windows and damaged floor in the factory buildings was observed.
14	Factory has documented product recall procedures in place?				X					
15	Factory has an appropriate documented quality policy in place?				X					
16	Factory keeps samples from each batch of finished product?				X					
17	Major work instructions are available on production line?				X					

C. INSPECTION & STORAGE

No	Description	Green	Amber	Red	N/A					Comments
1	Inspection of finished products is carried out in accordance with specification, legal and safety requirement?	X								The factory had established the FQC inspection standards. And the FQC inspection records were provided. The inspection items covered size check, function, appearance check and Etc.
2	Inspection records are maintained properly?		X							The FQC inspection records were provided, but found Only qualified results are provided, unable to provide test data in FQC report.
3	Inspection area is clean, safe and dry with appropriate lighting and temperature?	X								There was designated area for inspection. The area was clean and with appropriate lighting and temperature.
4	Proper handling procedures for non-conforming products at inspection (e.g. suitably segregated with clear identification)?	X								The factory had non-conforming product control procedure, and the rejected products were separated with others.
5	If re-worked is permitted, products are being re-inspected (and re-tested where needed)?	X								All these re-worked products would be re-inspected by the QC staffs based on site observation and workers interview.
6	Re-worked records are maintained properly?	X								All these re-worked products would be re-inspected by the QC staffs, and related re-work records were retained by the factory.
7	Finished products storage area is clean, dry, with appropriate lighting and temperature?	X								The finished product storage area is clean and tidy, also with appropriate lighting and temperature based onsite observation.
8	Effective system in place for monitoring goods at storage area before leaving the factory?		X							The product management system is established, Based on sample review, Relevant warehouse records just could provide the incoming records and no outgoing records on site.

D. TESTING

No	Description	Green	Amber	Red	N/A					Comments
1	Products are being tested in accordance with specification, legal and safety requirement (if applicable)?	X								The factory had equipped most of testers in the inspection room, such as pull tester, moisture test, Insulation Resistance Tester, Leakage current tester, calipers, puncture tester. These testing equipment meet the general test requirements of the product Spec. and the others factory send sample to 3rd lab to test.
2	Testing facilities and equipment are suitable and adequate for the products being tested?	X								The testing equipment was suitable. The basic test facility included pull tester, moisture test, Insulation Resistance Tester, Leakage current tester calipers, puncture tester etc. were equipped.
3	Testing equipment is maintained in good condition and calibrated regularly?	X								The factory established the measurement equipment calibration plan and provided relevant certificates.
4	Testing area is clean, safe and dry with appropriate lighting and temperature?	X								The test condition was acceptable. The lighting and temperature was suitable.
5	Test records are maintained properly?			X						There is no available test record be provide by factory. (such as Insulation Resistance Test, Leakage current test)
6	Person who carried out the test has been suitably trained and is capable of performing the test accurately and safely?	X								Factory could provide the training record, and the tester is familiar with the test requirements and acceptance standards.

E. SHARP TOOL CONTROL

No	Description	Green	Amber	Red	N/A					Comments
1	All sharp tools are tethered to working stations and needles are installed in sewing machines?	X								The factory established sharp tools control policy and defined that all sharp tools should be tethered to the working station. Based onsite observation, sharp tools used at the production and inspection area were tethered to workstation with unique identification number.
2	Production area is free of break-away blade or glass object?	X								The factory established sharp tools control policy and defined that all sharp tools should be tethered to the working station. Based onsite observation, No sharp tool was found at production area, warehouse and inspection area.
3	Broken needle records are kept properly?				X					No sewing machine in the factory, the needle was not used in the factory.
4	All products pass through tunnel type metal detector before packing (If applicable)?				X					No applicable, no sewing process in the audited factory and the metal detection was not applicable.
5	Metal detector calibration before, during and after use?				X					No applicable, no sewing process in the audited factory and the metal detection was not applicable.
6	Access to production area (e.g. packing area) after metal detection inspection is restricted with control of sharp tools / objects?				X					No applicable, no sewing process in the audited factory and the metal detection was not applicable.
7	A company policy is in place to control metal / sharp tools / broken needle that clearly state the following: All sharp tools shall be tethered to the workbench; Break away blades and glass objects shall not be used; Issuance	X								The factory had established a sharp tool control policy, which included requirements that all sharp tools shall be safed in designated area and made spot check everyday, issuance and return record shall be maintained and missing sharp

7	and return record shall be maintained; and Missing sharp tools shall be followed.	X							tools shall be followed.
8	Each sharp tool has a unique identification no. (except needles)?	X							The factory had a process for sharp tools control, sharp tools used at the production and inspection area were tethered to workstation with unique identification code, and factory provided corresponding issuance and return records for review. sample three people on site, found that the name, unique identification code and the relevant transceiver records can be corresponding.
9	A record book is in place to register issuance and return of all sharp tools?	X							The factory had a process for sharp tools control, Sharp tools were used in package workshop and assembly workshop, and factory provided corresponding issuance and return records for review.
10	There is no overhead walkways/structures that sharp objects can fall into the products from there?	X							There was no overhead walkway/structure that sharp objectives can fall into the production in the factory

F. ETHICAL

No	Description	Green	Amber	Red	N/A				Comments
1	Fire escape exits are unblocked or unlocked?	X							Health and safety control procedure was available in social document system. And fire safety facility and equipment was checked in monthly manner.
2	Workers use Personal Protective Equipment (PPE) relevant to the area?		X						Most worker with Personal Protective Equipment in each work place, but found parts of the operators in the injection shop did not wear earplugs.
3	Hazardous chemicals are stored in an appropriate area with Material Safety Data Sheet available?		X						MSDS document for dangerous chemical material was available at warehouse and workshop, and found parts of dangerous chemical material were without second container.
4	Machines all have adequate safety guards fitted?	X							Safety guard structure was fitted in equipment.
5	There is process in place of controlling Child Labour at factory?	X							The Child labor protection procedure was defined. There was no child labor found in the factory.
6	Workers are not subjected to physical abuse, the threat of physical abuse or intimidating verbal abuse?	X							The factory established the abuse control procedure on prohibiting all types of harassment and abuse.
7	Factory does not use forced, bonded or involuntary labour?	X							The factory established forbidding force labor control procedure. Any force labor, bonded labor or involuntary labor was forbidden in this factory. Based on the workers interview, no workers' personal belonging, ID card or other personal property was held

FOOTNOTE

IMAGES

1. NC-A.1-elongation of Insulator not defined in WI

Insulation test report for H03VH7-H cable. The report includes test items such as insulation layer, cross-section, resistance, and tensile strength. The elongation test result is noted as 151%.

2. NC-A.3-raw warehouse was clutter

Photograph showing a cluttered raw material warehouse with various boxes, bags, and materials stacked on pallets.

3. NC-A.5-IQC report(S-3)

IQC report for PVC material. The report includes inspection details such as quantity, date, and results. The results show that the material meets the requirements.

4. NC-A.5-WI(S-4)

Work Instruction (WI) document for Zhejiang Huangyan Precision Plastic Factory. The document includes details about the file number, revision, and approval process.

5. NC-B.2-IPQC report

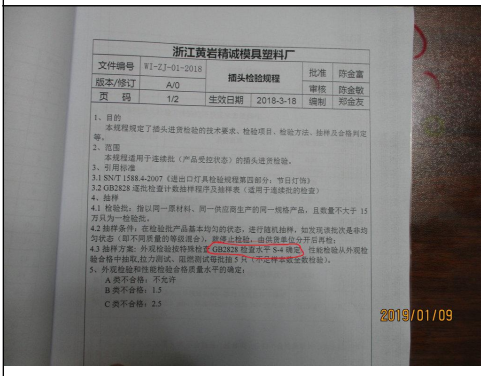
IPQC report showing inspection results for various items. The report includes details about the inspection date, time, and results.

6. NC-B.4-corrective and preventive

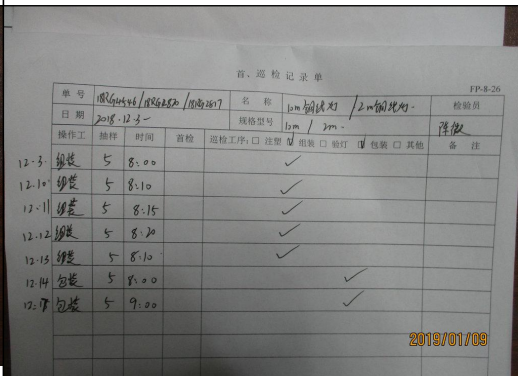
Corrective and preventive action report showing details of the actions taken. The report includes details about the problem, the actions taken, and the results.

IMAGES

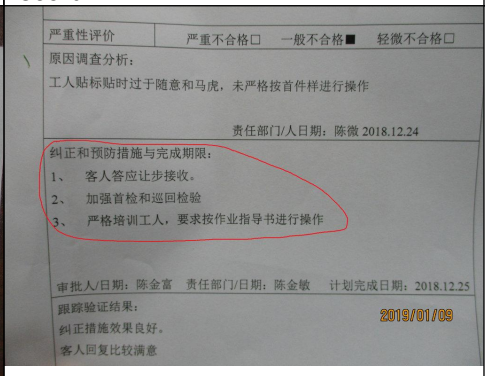
4. NC-A.5-WI(S-4)



5. NC-B.2-IPQC report



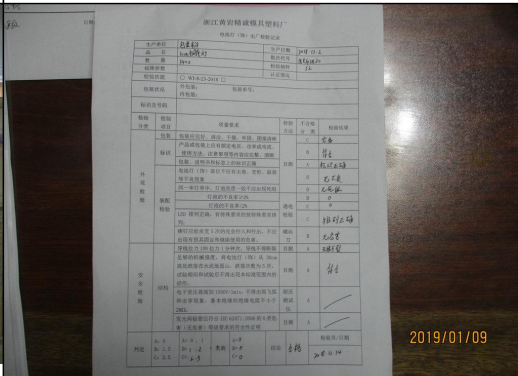
6. NC-B.4-corrective and preventive record



7. NC-B.11-without any identification information



8. NC-C.2-FQC report



9. NC-F.2-did not wear earplugs



10. NC-F.3-without second container















11. factory gate



12. Raw warehouse (1)



IMAGES		
<p>13. Raw warehouse (2)</p>  <p>2019/01/09</p>	<p>14. injection molding workshop</p>  <p>2019/01/09</p>	<p>15. injection molding work station</p>  <p>2019/01/09</p>
<p>16. cutting work station</p>  <p>2019/01/09</p>	<p>17. assembly work shop</p>  <p>2019/01/09</p>	<p>18. assembly work station</p>  <p>2019/01/09</p>
<p>19. package work shop</p>  <p>2019/01/09</p>	<p>20. business license</p>  <p>2019/01/09</p>	<p>21. inspection room</p>  <p>2019/01/09</p>
<p>22. finish-product warehouse (1)</p>  <p>2019/01/09</p>	<p>23. finish-product warehouse (2)</p>  <p>2019/01/09</p>	<p>24. package work station</p>  <p>2019/01/09</p>

IMAGES

25. showing room

