Monitoring summary report for MYANMAR RUI XIN SHOES COMPANY LIMITED

MONITORING ID: 24-0244744

Monitored Party
MYANMAR RUI XIN SHOES COMPANY LIMITED

amfori ID
104-000263-000

Address
SURVEY BLOCK NO (21) ¸ PLOT NO (E-6), PHASE (III) ¸ MYA SEIN YAUNG INDUSTRIAL ZONE, HLAING THAR YAR TOWNSHIP, YANGON, Yangon, Myanmar

Monitoring Activity
amfori Social Audit - Manufacturing

Monitoring Type
Full Monitoring

Monitoring Partner
SGS

Monitoring Start Date
03/04/2024

Closing Meeting Finished Date
04/04/2024

Submission Date
18/04/2024

Expiration Date
18/04/2026

Announcement Type
Semi Announced

Site
MYANMAR RUI XIN SHOES COMPANY LIMITED

Site amfori ID
104-000263-001

This is an extract of the online Monitoring Result, generated on 19/04/2024, and is only valid as an acknowledgement of the result. To see all the details, review the full monitoring result, which is available on the amfori Sustainability Platform - The English version is the legally binding one.

OVERALL RATING

A	**B**	C	D	E	None

SECTION RATING

PA1: Social Management System	C
PA 2: Workers Involvement and Protection	B
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination, Violence or Harassment	B
PA 5: Fair Remuneration	B

PA 6: Decent Working Hours	**A**	
PA 7: Occupational Health and Safety	**B**	
PA 8: No Child Labour	**A**	
PA 9: Special Protection for Young Workers	**A**	
PA 10: No Precarious Employment	**A**	
PA 11: No Bonded, Forced Labour or Human Trafficking	**A**	
PA 12: Protection of the Environment	**C**	
PA 13: Ethical Business Behaviour	**B**	

GENERAL DESCRIPTION

Name of lead auditor: Shuvankar Paul; APSCA membership number: CSCA 21701484.
Name of team auditor: Nazma Akhter (ASCA 21705132).
Name of observers, translators, trainees, advisors/consultants:
1. Aye Sandar Win is used as a translator in this audit on 3rd & 4th April 2024 because she is an expert of Burmese and English language. She has completed M. Res (IC), M.Sc (IC), Diploma of IC (Food Technology) from University of Yangon, Myanmar and B.Sc (IC) from University of East Yangon, Myanmar. She is APSCA listed auditor and her APSCA number is ASCA (21705472).
2. Khine War Aung is used as a translator on 3rd & 4th April 2024 in this audit because she is an expert of Burmese and English language as facility workers native language is Burmese.

Monitoring partner name: SGS Bangladesh Limited (Monitoring firm APSCA #: 11600006).

Audit schedule details: The audit was planned for 2 auditors (4 man-day onsite) in two days. The full monitoring (semi - announced) was conducted on April 03 & 04, 2024.

Business partner information: Myanmar Rui Xin Shoes Company Limited (Certificate of Incorporation: Company Registration No: 121749858 Issued on 15.08.2019 by Registrar of companies, Directorate Of investment and Company Administration, Private Industry Registration Certificate: Industrial Registration No: YaKa/Large/5862, Valid till 31.07.2024; Issued by Ministry Of Industry, Government of the Republic of the Union of Myanmar, Business License No: 351920013 expired on 31.3.2024 and issued by Yangon City Development Committee, Fire Safety Inspection Recommendation: 313; Issued on 11.06.2023 and expired on 11.06.2026.) is located at Survey Block No (21), Plot No (E-6), Phase (III), Mya Sein Yaung Industrial Zone, Hlaing Thar Yar Township, Yangon Region, Myanmar. The factory was founded on 15th August 2019 as per incorporation certificate and production has started from October 2020. The main auditee is specialized in all kinds of footwear manufacturing.

The main production activities in audited factory: Cutting, Preparation, Sewing, Lasting, Quality, Packing. Production capacity is 50,000 pieces per month.

Audited location information: Total land area of the factory is about 385,070 square feet, production area is about 344,445 square feet, storage area is about 17,222 square feet and dining area is about 51,666 square feet.

The facility consists of 04 prefabricated buildings and 06 sheds. Details description is attached separately due to word limitation.
The facility has total 10 first aiders and 18 first aid boxes, 10 trained firefighters, 27 hose pipes, 131 ABC fire extinguishers, 1200 sprinklers, 27 fire alarms, 25 smoke detectors, 62 emergency lights and 04 staircases in main production building.

Operating shifts and hours: All section workers except security worked in 1 shift (07:30 am to 04:30 pm). Facility has 3 shifts (shift- 1: from 08:00 am to 04:00 pm, shift-2: from 04:00 pm to 12:00 am and shift-3: from 12:00 am to 08:00 am) for security section including convenient meal break. Lunch break for 60 minutes is provided for all workers, which starts from 12:00 pm to 01:00 pm for general shift. Weekly day off is Sunday of the factory for general shift and roster wise weekly day off get for security section. On Saturday facility regular working hours is 07:30 am to 11:30 pm and after 11:30 PM if facility did work then they provide overtime payment as per law. Maximum consecutive day was found 06 days in the sample. Facility has a policy to pay overtime at 200% of Basic wage rate.

Time recording system: Factory uses electronic time keeping system (fingerprint) for recording attendance of workers.
Salary payment details: The factory established the procedures about wage and benefits, workers' minimum wage, statutory holidays, annual leaves, etc. were defined in the policy. Facility wages are calculated monthly from the 1st to the 30th/31st date of each month. The wages were paid through 100% cash within 5 working days of the following month, the pay date never delayed, all workers were aware of the wage's structures. During the audit, the factory provided the payroll records from March 2023 to February 2024 for review. The facility provides minimum MMKs 5800/ per day to all workers from 1st October 2023 in accordance with Minimum Wage Announcement (2/2018) published on 14th May 2023.

Worker number information: There is a total of 1156 employees in the facility including 56 male,1095 female and 05 non-binary workers. The factory hired 07 employees (security) from agency. There were no child labors, young workers, interns, apprentice workers were found in factory.

Good practices: Based on satisfactory evidence it was noted that the main auditee exceeds the expectation of this principle/performance Area-5 (Fair Remuneration) because-
1. Facility provides MMKs 10,000/ month to all workers for the full attendance of the month.
2. Facility provides skill bonus as per their grading skill matrix to all workers yearly.
3. Facility provides transport facility to all workers.
4. Facility provides overtime allowance MMks 200 per hour above the legal overtime payment, if they do overtime.

Worker organization details: There's no trade union in the factory. Facility has formed Workplace coordinating committee (WCC) on 14-07-2023 where 06 members were elected (03 from workers and 03 from management) from different section as workers representative. The last meeting was held on 24-01-2024.

Circumstances: There were no special circumstances noted during the audit. Auditors were provided full access for all audit functions and the management was co-operative and extended their fullest support throughout the audit.

Audit Process: This amfori BSCI full monitoring was conducted on April 03 & 04, 2024 where an opening meeting was held where Ms. Ei Phyu - HR Manager, Thae Zin Phyo Thein - Account responsible, Zae Mar Hairg - HR Responsible, Htoo Htoo Aurg - Quality Check responsible, Nant Aye Thida Aung (WCC member) were present.

Closing meeting: At the end of the assessment closing meeting was held on 4th April 2024 to discuss all the areas of improvement in the findings report with Ms. Ei Phyu - HR Manager and with her team. Facility management agreed on all findings and signed on findings report. Auditor informed the management regarding the submission of remediation plan to the amfori sustainability platform through amfori sustainability platform against the findings raised on the audit within 60 days.

Summary of findings: Non-compliance were noted in “Social Management System", "Workers Involvement and Protection”, "No Discrimination, Violence or Harassment", “Fair Remuneration”, “Occupational Health and Safety”, “Protection of the Environment” and “Ethical Business Behavior”. Details of the findings are listed in respective sections. For other areas, no findings were noted.
Living wage calculation: The audit company calculated manually living wages MMKs 1,199,848.10 and the relevant document is attached under the report attachment.

Note: Factory address was written as per facility management statement.

SITE DETAILS

Site	Site amfori ID
MYANMAR RUI XIN SHOES COMPANY LIMITED	**104-000263-001**

GICS Classification

Sector	Industry Group	Industry
Consumer Discretionary	**Consumer Durables & Apparel**	**Textiles, Apparel & Luxury Goods**

Sub Industry
Footwear

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	**1,130**	**Workers**
Legal minimum wage in local currency	**168,200**	**Monthly**
Lowest wage paid for regular work at the site	**168,200**	**Monthly**
Calculated living wage in local currency	**1,199,848.1**	**Monthly**
Total sample	**35**	**Workers**

Other Metrics

Male workers	**30**	**Workers**
Female workers	**1,095**	**Workers**
Non-binary workers	**5**	**Workers**
Permanent workers - Male	**56**	**Workers**
Permanent workers - Female	**1,095**	**Workers**
Permanent workers - Non-binary	**5**	**Workers**
Temporary workers - Male	**0**	**Workers**
Temporary workers - Female	**0**	**Workers**
Temporary workers - Non-binary	**0**	**Workers**
Seasonal workers - Male	**0**	**Workers**
Seasonal workers - Female	**0**	**Workers**
Seasonal workers - Non-binary	**0**	**Workers**
Management - Male	**3**	**Workers**
Management - Female	**126**	**Workers**
Management - Non-binary	**0**	**Workers**
Apprentices - Male	**0**	**Workers**
Apprentices - Female	**0**	**Workers**
Apprentices - Non-binary	**0**	**Workers**
Workers on probation - Male	**0**	**Workers**
Workers on probation - Female	**250**	**Workers**
Workers on probation - Non-binary	**0**	**Workers**
Workers with night shift - Male	**2**	**Workers**
Workers with night shift - Female	**0**	**Workers**
Workers with night shift - Non-binary	**0**	**Workers**
Workers with disabilities - Male	**0**	**Workers**
Workers with disabilities - Female	**0**	**Workers**
Workers with disabilities - Non-binary	**0**	**Workers**
Domestic migrant workers - Male	**0**	**Workers**
Domestic migrant workers - Female	**0**	**Workers**
Domestic migrant workers - Non-binary	**0**	**Workers**
Foreign migrant workers - Male	**10**	**Workers**

Foreign migrant workers - Female	**7**	**Workers**
Foreign migrant workers - Non-binary	**0**	**Workers**
Workers hired directly - Male	**49**	**Workers**
Workers hired directly - Female	**1,095**	**Workers**
Workers hired directly - Non-binary	**5**	**Workers**
Workers hired indirectly - Male	**7**	**Workers**
Workers hired indirectly - Female	**0**	**Workers**
Workers hired indirectly - Non-binary	**0**	**Workers**
Unionised workers - Male	**0**	**Workers**
Unionised workers - Female	**0**	**Workers**
Unionised workers - Non-binary	**0**	**Workers**
Workers under CBA - Male	**0**	**Workers**
Workers under CBA - Female	**0**	**Workers**
Workers under CBA - Non-binary	**0**	**Workers**
Pregnant workers	**5**	**Workers**
Workers on parental leave - Male	**0**	**Workers**
Workers on parental leave - Female	**5**	**Workers**
Workers on parental leave - Non-binary	**0**	**Workers**
Sample - Male	**4**	**Workers**
Sample - Female	**30**	**Workers**
Sample - Non-binary	**1**	**Workers**

FINDINGS

PA1: Social Management System

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH

Finding

The main auditee partially respected this principle as because the auditee has set up a management system for implementation of amfori BSCI Code of Conduct as day-to-day business practices but the system is still not effective enough for continuous improvement and monitoring effectively as few gaps found in different areas like "Social management system" area including significant business partners improper monitoring, did not develop human rights impacts policy, "Workers involvement and protection" area including sample workers are not well aware on amfori BSCI COC, the policy did not define "potential conflict of interest", in their grievance policy, no periodic grievance satisfactory survey, no verbal grievance recording system, no external grievance policy or system for community & business partners, "No Discrimination, Violence or Harassment" area including no satisfactory survey on potential areas of discrimination, "Fair remuneration" area including gaps in calculating living wage, and no potential action has been taken to fill the gaps between actual remuneration, annual leave payment, "Occupational health and Safety" area including like insufficient risk assessment; PPE; no procedure for reporting near misses, chemical safety; insufficient area in fire safety recommendation certificate, insufficient generator permission, electrical safety and machine safety, lacking of child care facility, toilet facility, "The Protection of Environment" area including no Environmental Compliance Certificate (ECC), improper waste management, water conservation record and no proper water waste reduction plan and "Ethical business behavior" area including no training on anti-corruption and bribery attempt to relevant person, no reward policy, no proper working hour recording system for security guards due to lack of management awareness and monitoring. [As per amfori BSCI system manual requirement of question 1.1]

Question: 1.3 Is there satisfactory evidence that the auditee has identified their significant business partners and their level of alignment with the amfori BSCI Code of Conduct?

ENGLISH

Finding

Following issues were noted regarding monitoring of the business partners due to lack of management awareness:
a. Noted from document review and management interview it was noted that the facility has developed supplier selection policy & procedures and shared amfori BSCI COC with their significant business partners but did not conduct proper monitoring to their 07 out of 07 significant business partners due to lack of awareness.

b. The facility management did not develop the necessary policies and processes to prevent and address any adverse human rights impacts that may be detected in its supply chain due to lack of awareness. So, considering the above situation this question is rated partial. [As per requirement of amfori BSCI system manual question 1.3]

PA 2: Workers Involvement and Protection

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH

Finding

Provided documents show that the facility periodically organized an informative session on amfori BSCI Code of conduct but proper awareness was not found from 25 out of 35 workers and workers' representatives on amfori BSCI COC due to lack of awareness. This question is rated as partially because other related areas found in compliance. [As per amfori BSCI system manual requirement of question 2.4]

Question: 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH

Finding

The main auditee partially respected this question because based on onsite check, documents review, workers and management interview it was noted that:
a. Though the factory has policy and procedures on grievance mechanism, but facility did not include "potential conflict of interest" in the existing grievance policy due to lack of management awareness.
b. The facility did not conducted periodic grievance satisfactory survey on grievance mechanism to the employees due to lack of management awareness. Noted that last 12 months no complaint has been received from grievance box.
c. The factory does not have any system to record verbal grievance which comes from the employees due to lack of awareness.
d. No external grievance policy or system for community and business partner was found in the factory evidenced from document review and management interview due to lack of awareness. [As per amfori BSCI system manual requirement of question 2.5]

PA 4: No Discrimination, Violence or Harassment

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 4.2 Is there satisfactory evidence that the auditee takes the necessary preventative and/or remedial measures to ensure workers are not disciplined, dismissed, harassed or otherwise discriminated against because of their complaints against infringements of their rights?

ENGLISH

Finding

Note from document review, worker and management interview that though the factory has developed policy and procedures on avoid discrimination, but the facility has not conducted any satisfactory survey on discrimination/harassment due to lack of awareness. This question is rated partially because other relevant areas were found in compliance. [As per amfori BSCI system manual requirement of question 4.2]

PA 5: Fair Remuneration

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

ENGLISH

Finding

The main auditee partially respected this question because based on documents review and management interview that the facility management is well aware of collection and calculation of fair remuneration. Facility has conducted general survey within workers of various grades, sections and several areas to identify fair remuneration. But they did not identify possible gaps between actual remuneration and the fair remuneration figure in the factory. Moreover, factory did not take potential actions to fill the gap due to this, facility yet not ensure the fair remuneration to the employees. [As per requirement of amfori BSCI system manual question 5.4]

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted without negative impact on their pay, level of seniority, position, or promotion prospects?

ENGLISH

Finding

The main auditee partially respected this question because based on documents review, worker and management interview it was noted that facility did not have provision to provide un-availed annual leave encashment to the eligible workers after his/ her resign. Note that, facility provide annual leave to the workers whose job tenure is more than one year and enjoy the leave in his/ her job tenure. [As per The Factories Act (1951) Chapter (3) Section (4)]

PA 7: Occupational Health and Safety

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

ENGLISH

Finding

The main auditee partially respected this question as facility is in progress of complying health & safety rules & regulations and regulations and assigned one person to monitor and implement them but still there are some gaps including insufficient risk assessment; lacking of usage PPE; insufficient chemical safety; lacking of child care facility, no procedure in place for reporting near misses and toilet facility, insufficient area include in fire safety recommendation certificate, insufficient generator permission, insufficient electrical safety and lacking of machine safety due to lack of monitoring and awareness. [As per amfori BSCI system manual requirement of question 7.1]

Question: 7.3 Is there satisfactory evidence that the auditee set up an effective management system that ensures they regularly carry out risk assessments for safe, healthy and hygienic working conditions?

ENGLISH

Finding

The main auditee partially respects this question because based on management and worker interview and document review following risk assessment related issues were identified during audit day:
a) Facility did not conduct any risk assessment of fire hydrant pump area, diesel tank (5000 liters), transformer etc.
b) Facility uses the gas cylinders to cook the food in the staff kitchen, but they did not do any risk assessment for that gas cylinder which may cause danger.
c) Facility did not identify the risk of snap button machine like what are risk associated with the workers if they work on bare foot and not communicated with those respective workers.
d) Facility has first aider and nursing assistant, but they don’t have medical officer to supervise the medical room and relevant services. So, facility did not perform relevant risk assessment in this regard. [As per requirement of OHS Law Chapter (8) Section-26 Sub-section A and The Factories Act (1951) Chapter (5) Section (47) Sub-section (3)]

Question: 7.6 Is there satisfactory evidence that the auditee enforces the use of PPE to provide protection to workers alongside other controls and safety systems?

ENGLISH

Finding

The main auditee partially respected this question because, based on the onsite check, plant visit, workers and management interview, the following PPE related issues were noted:
a) 02 out of 06 polishing and 02 out of 07 grinding machine operators were not using ear plug, while working.
b) Around 05 out 05 painting operators were using normal mask instead of respiratory mask and not using hand gloves, while working.
c) 02 out of 02 chemical spray employees were not using goggles, hand gloves, when randomly checked. Note that, the chemical spray employees were using normal mask instead of respiratory mask, while working [As per requirement of OHS Law Chapter (8) Section-30 Sub-section A]

Question: 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH

Finding

The main auditee partially respected this question because, based on the onsite check, plant visit, workers and management interview, the following chemical related issues were noted - MSDS, labeling and secondary containment found missing for 02 lubricant containers in compressor room located at shed-3; 02 adhesive containers in maintenance room in ground floor located at prefabricated building-A, around 20 chemical containers in chemical spray area of ground floor located at prefabricated building-B. [As per requirement of Prevention of Hazard from Chemical and Related Substances Law 2013, Chapter (9) Section-27 B & 27 D]

Question: 7.10 Is there satisfactory evidence that the auditee has and properly uses procedures and systems for reporting and recording occupational accidents and injuries?

ENGLISH

Finding

The facility has a system for record and analyzing root cause of accident but no procedure in place for reporting near misses (unplanned event that has the potential to cause injury but does not actually result in human injury), if any. This question is rated partially because other relevant areas were found in compliance. [As per amfori BSCI system manual requirement of question 7.10]

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH

Finding

The main auditee partially respected this question because based on documents review and management interview following certificate or license issues were noted –
a) Facility has taken fire safety recommendation certificate only for prefabricated building - A, B, C & D instead of all areas inside the facility premises. Noted that, facility yet not include the area of shed -1, 2, 4, 5 & 6 in their existing fire safety recommendation certificate. [As per requirement of Fire Brigade Act 2015 Chapter 8 No.17 C]

b) Currently the factory management is using 03 generators with total capacity of 1400 KVA (625 KVA, 625 KVA and 150 KVA) and facility management has taken electricity generation & usage registration certificate for 02 generators (2*625 KVA) instead of 03 generators. However, till audit date the factory management does not have the permission for the using of above said 01 generator (150 KVA). [As per requirement of The Electrical Act 2015 Chapter (12) No.44]

Question: 7.13 Is there satisfactory evidence that the auditee makes sure a competent person periodically checks the electrical installations and equipment?

ENGLISH

Finding

The main auditee partially respected this principle because based on facility visit following electrical safety related issues were noted due to lack of awareness and monitoring:
a) 02 uncovered electrical box was found in sewing section in 1st floor located at prefabricated building - A, which may cause danger.
b) 03 out of 06 electrical distribution boards found without ebonite sheet, danger sign and rubber mat, when randomly checked. [As per amfori BSCI system manual requirement of question 7.13]

Question: 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

ENGLISH

Finding

The main auditee partially respects this question as from floor visit it was noted that following machine safety related issues are follows due to lack of awareness and monitoring:
a. Approximately 12% of the eye guards of computer roller machines were found displaced from its own position in the sewing section in 1st floor located at prefabricated building-A, B, C, due to a lack of awareness.
b. Facility has 02 cooling tower area in the ground floor area beside the prefabricated building-A, B where has some rotating machine and hot surface of the machine but facility did not make any fencing in that area, which may cause danger.
c. 03 out of 05 snap button machines have no finger guard, when randomly checked. [As per requirement of The Factories Act (1951) Chapter (4) Section (28) Sub-section (1-A) and Section (24) Sub-section (1) (C-1)]

Question: 7.22 Is there satisfactory evidence that the auditee provides workers with clean washing facilities, changing rooms and toilets that are also respectful of local customs?

ENGLISH

Finding

The main auditee partially respected this question because based on facility visit, worker and management interview it was noted that-
a) The facility did not have functional childcare room in the factory as per law, currently facility has 1095 permanent female workers. In additional there was no good toys, bed and no other facilities for child in the childcare room including care giver. [As per requirement of Law Amending the Factories Act, 1951, Section (25)]
b) Based on facility visit it was noted that, when randomly checking 02 out of 02 toilets were not properly stocked with sufficient supplies such as toilet paper, hand soap etc. [As per amfori BSCI system manual requirement of question 7.22]

PA 12: Protection of the Environment

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 12.3 Is there satisfactory evidence of the auditee's required environmental permits and licences?

ENGLISH

Finding

The main auditee partially respected this question because the facility has conducted Environment Management Plan (EMP) by a renowned third party but till now they did not get Environmental Compliance Certificate (ECC) from the concerned authority. However, the facility has applied to the concern authority on 26.02.2024 for the Environmental Compliance Certificate (ECC). [As per requirement of Ministry of Environmental Conservation and Forestry Notification No. 616 / 2015, Section - 08]

Question: 12.4 Is there satisfactory evidence that waste is managed in a way that does not lead to the pollution of the environment?

ENGLISH

Finding

The main auditee partially respected this question because based on floor visit, management interview, it was noted that although the facility has a designated waste keeping area, the facility kept different types of waste like fabrics, metallic items, plastic pipes, empty chemical container and others waste without proper segregation due to lack of monitoring by management. [As per amfori BSCI system manual requirement of question 12.4]

Question: 12.5 Is there satisfactory evidence that water is managed in a way that respects the environment, particularly but not limited to preserving local water sources?

ENGLISH

Finding

The main auditee partially respected this question because the facility is in process to implement the water conservation and collect the estimated data of water conservation but did not fully implement a plan to monitor accurate water conservation record and water waste reduction properly. Factory management has posted awareness poster in the dining but did not provide training to the employees. [As per amfori BSCI system manual requirement of question 12.5]

PA 13: Ethical Business Behaviour

Site: MYANMAR RUI XIN SHOES COMPANY LIMITED | Site amfori ID: 104-000263-001

Question: 13.1 Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or any form of bribery in its activities as a business enterprise?

ENGLISH

Finding

a. The main auditee partially respected this question because the facility has developed policy and procedures on anti-corruption and anti-bribery and provided training to the workers, all supplier and leaders, but they did not cover all concerned employees, i.e. decision-makers like the GM, HR, administrative and compliance personnel, security personnel, etc., in the anti-corruption and bribery training conducted due to lack of awareness. [As per amfori BSCI system manual requirement of question 13.1]
b. The auditee has developed anti-corruption and bribery policy, but the facility did not introduce any "Reward" system for ethical behavior and integrity among its employees due to lack of awareness. [As per amfori BSCI system manual requirement of question 13.1]

Question: 13.2 Is there satisfactory evidence that the auditee keeps accurate information regarding its own activities, structure and performance?

ENGLISH

Finding

Based on document review, security guard and management interview that the facility management does not have a proper monitoring system and note that, there is lacking in record keeping system of security guard's daily working hours. Since the factory is maintaining security guard’s daily attendance by manual time keeping system (Manual register). However, the facility maintained the working hour record of their security through D (Day) or N (Night) instead of actual "IN" and "OUT" time'. So, this attendance system was not reflected the actual working hour of security guards. This question is rated partially because other relevant areas were found in compliance. [As per amfori BSCI system manual requirement of question 13.2]