Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Version No.: 15 1-Oct-22

Audit Details

Costco Audit Request #	202211-NFGMP-24126		
Audit Type	**Annual Audit**		
Audit Report #	Vie 14059-02	Auditor Name	Ngoc Le
Audit Start Date	12-13 January 2023	Number of Mandays	2
Follow-up Audit 1	**Not Applicable**		
Factory Name	**Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company**		
Address	02 Mai Hac De Street, Genh Rang Ward, Quy Nhon City, Binh Dinh Province, Vietnam		
City	Qui Nhon	State/Province	Binh Dinh
Country	Vietnam		
Postcode	820000		
Telephone #	(+84) 256 3893 356		
E-mail	mylien@bidiga.com.vn		
Supplier Name	Authentic Lifestyle Products LLC		

Key Personnel

Name	Job Title	E-mail ID
Mrs. Do Thi My Lien	General Manager	mylien@bidiga.com.vn
Mrs. Do Thi Kim Tuyet	Quality/Technical Manager	tuyet.kt@bidiga.com.vn
Mrs. Dang Thi Thu Hien	Production Manager	Not provided
Mrs. Nguyen Thi Phuc	R & D Manager	phuc.ktcn@gmail.com
Mr. Dang Quoc Chuong	Health & Safety Officer	chuong@bidiga.com.vn

Note: provide up to 5 key personnel only

Sub-contractor Information

Processes	Factory Name	Factory Address
NA	*NA*	*NA*

Company Profile

Factory established in year:	2006
Main manufacturing processes:	Cutting, sewing, pressing, finishing, inspection and packing.
Product category	Knit garments
Factory area / dimensions	4,095 sqm
Number of Buildings	There is one 4-story building in the facility compound. Office and finished goods warehouse in the first floor; cutting and materials warehouse in the second floor; Finishing and packing section in the third floor; and sewing section in the fourth floor.
Total number of employees	382
Monthly Production capacity	200,000 pieces per month
International certification	N/A
Peak season	From October to November
Major market	US (90%), Canada (10%)

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment	
Major customer	Costco, HBI, Maurice
Remarks (if any): Nil	

AUDIT RESULT SUMMARY

Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment JSC

Annual Audit			
Report #	Vie 14059-02	Audit Date	12-13 January 2023
Auditor Name	Ngoc Le	Number of Mandays	2
	Section Name	**Section Score**	**Section Rating**
Section 1	Management Commitment & Continual Improvement	100%	Green
Section 2	Risk Management	93%	Orange
Section 3	Quality Management System	98%	Yellow
Section 4	Site and Facility Management	91%	Orange
Section 5	Product Control	97%	Orange
Section 6	Product Testing	100%	Green
Section 7	Process Control	98%	Yellow
Section 8	Personnel Training	88%	Yellow
		Overall Score	**Overall Rating**
		96.26%	**Orange**

Factory Name	Audit Date	Report #
Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company	12-13 January 2023	Vie 14059-02

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment	**Annual Audit**

Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings
1	**Management Commitment & Continual Improvement**		
1.1	**Does factory establish a quality policy stating the factory's intentions to meet its obligations to manufacture quality, safe and legal products, and its responsibility to the customer?**	Full Compliance	
1.2	**Is the policy communicated throughout the factory, and regularly reviewed?**	Full Compliance	
1.3	**Did management develop and implement a management system to achieve their goals for product quality, safety and customer requirements?**	Full Compliance	
1.4	**Does factory review effectiveness of management systems (e.g. QMS) at defined intervals (minimum once per year)?**	Full Compliance	
1.5	**Are there documentary evidence that demonstrate management commitment to improve any significant area of findings identified during an audit?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
1.6	**Does factory track its key performance indicators (KPI) for on-time delivery, outgoing quality, complaint rate, etc.?**	Full Compliance	
2	**Risk Management System**		
2.1	**Legislative and Safety Requirements**		
2.1.1	**Is the factory aware of relevant legislation, mandatory standards and industry/customer codes of practice applicable to the product in the countries of intended sale, and having a process in place for ensuring it is kept informed of changes to the relevant information?**	Full Compliance	
2.1.2	**Does the factory have a means of validating information impacting product safety, quality and legality, where such information is provided by the customer or related party?**	Full Compliance	
2.2	**Risk Assessment**		
2.2.1	**Does the factory establish a Product Risk Assessment for each product or a group of similar products, e.g., FMEA?**	Not Applicable	The facility is not responsibility for product design.
2.2.2	**Where manufacturing sites have no responsibility for product design, is the factory provided with a validated copy of the product risk assessment?**	Full Compliance	
2.2.3	**Does the product risk assessment address the following aspects which have an effect on product safety and legality?**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
2.2.3.1	**User types (e.g., new born, young children, vulnerable people i.e., elderly, disabilities)**	Full Compliance	
2.2.3.2	**Product use (e.g., behavior, durability, user awareness, information and advice)**	Full Compliance	
2.2.4	**Does the product risk assessment determine the following?**		
2.2.4.1	**Possible Hazard/Risk Identification (e.g. Chemical, Physical, Regulatory)**	Full Compliance	
2.2.4.2	**Risk level for each identified hazard/risk (e.g. Severe, High, Moderate, Slight)**	Full Compliance	
2.2.4.3	**Whether the risk is acceptable considering the probability or likelihood and the severity and potential consequences of the effects on consumer safety (e.g., Not Acceptable, Review & Improve, Acceptable)**	Full Compliance	
2.2.5	**Does the factory conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?**	Deviation	The facility has conducted process risk assessment. However, the process risk assessment did not include all necessary elements such as Manufacturing parameters for heat transfer process.
2.2.6	**Does the process risk assessment take the following into account?**		
2.2.6.1	**Manufacturing parameters such as pressure, time, temperature**	Non Conformity	Manufacturing parameters such as pressure, time, temperature (heat transfer process) were not included in the process risk assessment
2.2.6.2	**Conditions of equipment, molds, dies, machinery**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
2.2.6.3	**Chemicals / materials used for equipment (e.g. lubricating oils and paints)**	Full Compliance	
2.2.6.4	**Calibration of equipment**	Full Compliance	
2.2.6.5	**Policies on foreign body contamination (e.g. needles, metal, glass and brittle plastics)**	Full Compliance	
2.2.6.6	**Policies on microbiological contamination (e.g. hygiene of toilet & canteen, pest control)**	Full Compliance	
2.2.6.7	**Personal protective equipment (including specific clothing and footwear)**	Full Compliance	
2.2.7	**Does the process risk assessment identify the following?**		
2.2.7.1	**A list of potential risk or hazards in the production process**	Full Compliance	
2.2.7.2	**Control points to manage the identified risk to acceptable level**	Full Compliance	
2.2.7.3	**Accept / reject limits defined for each control point**	Full Compliance	
2.2.7.4	**Corrective action to be taken where a CCP is out of control**	Full Compliance	
2.2.7.5	**Responsibility of Control Points**	Full Compliance	
2.2.7.6	**Records of monitoring & reviews**	Full Compliance	
2.3	**Verification of Risk Assessment**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
2.3.1	**Is the verification of risk assessment carried out prior to production?**	Full Compliance	
2.3.2	**Is the risk assessment carried out by competent personnel (internal or external)?**	Full Compliance	
2.3.3	**Is the risk assessment regularly reviewed, at least annually or when changes made to product design and materials and/or key manufacturing processes?**	Full Compliance	
2.3.4	**Does the factory implement risk management systems based on a systematic risk assessment system to assure product safety legality and quality?**	Deviation	The facility has conducted product and process risk assessment. However, the process risk assessment did not include all necessary elements such as Manufacturing parameters.
3	**MANAGEMENT SYSTEM**		
3.1	**Documented Quality System**		
3.1.1	**Does factory have a documented quality system approved by top management, outlining the criteria and methods used to meet system requirements?**	Full Compliance	
3.1.2	**Does the quality system include detailed procedures, instructions, and reference documents covering all manufacturing processes?**	Full Compliance	
3.2	**Organizational Structure, Responsibility and Authority**		
3.2.1	**Does factory define and communicate the levels of responsibility and accountability for staff involved with product safety, legality, and quality?**	Full Compliance	
3.2.2	**Are there appropriate arrangements in place, to cover for the absence of key staff?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
3.3	**Customer Focus**		
3.3.1	**Is there a process in place to communicate customer's needs and expectations to all relevant employees?**	Full Compliance	
3.3.2	**Are performance indicators relating to customer satisfaction established?**	Full Compliance	
3.3.3	**Does factory establish a procedure or policy to safeguard customer property including software and intellectual property?**	Full Compliance	
3.4	**Specifications**		
3.4.1	**Do specifications or codes of practice exist for raw materials (including packaging), intermediate/semi processed products (where appropriate), and finished products?**	Full Compliance	
3.4.2	**Are specifications adequate, accurate, and ensure compliance with relevant safety, legislative and customer requirements?**	Full Compliance	
3.4.3	**Any changes in product specifications are formally agreed with customers and then communicated to relevant departments?**	Full Compliance	
3.5	**Purchasing, Supplier and Sub-Contractor Approval and Performance Monitoring**		
3.5.1	**Are there procedures for approval and an on-going monitoring program for sub-contractors and suppliers of all raw materials, packaging, and utilities? Does factory use the results of the approval process to determine acceptable/non acceptable sources?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
3.5.2	**Do these procedures include clear criteria for assessment as well as standards of performance required? (Assessment may take the form of monitoring performance through in-house checks, certificates of analysis or extend to supplier or sub-contractor inspection, as appropriate. Assessment may include evaluation of systems, product safety information and legislative requirements.)**	Full Compliance	
3.5.3	**Does factory provide material specifications and compliance requirements to raw-material, trims and packaging materials suppliers when placing orders?**	Full Compliance	
3.6	**Identification & Traceability**		
3.6.1	**Is there a lot identification and traceability system for all raw materials (including packaging), work in progress and finished products?**	Full Compliance	
3.6.2	**Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?**	Deviation	It was noted that at least 05 pallets of finished goods at finished goods warehouse were not identified with final inspection status. The identification card was included customer/style number/color/PO/quantity and size. In addition, most of incoming fabrics were not identified with receiving date.
3.6.3	**Can factory identify, trace, and locate 100% of finished product lots/batches from raw material (based on random sampling)?**	Full Compliance	
3.6.4	**Can factory identify, trace, and locate 100% of raw materials used in customer products (based on random sampling)?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
3.6.5	**Is the system regularly tested to ensure traceability can be determined from raw material source to finished product and vice-versa?**	Full Compliance	
3.7	**Incident Management and Product Recall**		
3.7.1	**Does factory have an incident management procedure for incidents or emergencies that impact product quality, safety or legality?**	Full Compliance	
3.7.2	**Is there a procedure to ensure that customers are notified immediately of any issue which has potentially resulted in an illegal or unsafe product being delivered or already delivered to the customer?**	Full Compliance	
3.7.3	**Is there an effective, documented Product Recall procedure in place? Is the procedure appropriate, formalized and capable of being operated at any time and takes into account stock requisition, logistics, recovery, storage and disposal?**	Full Compliance	
3.7.4	**Does factory conduct mock recall test to check effectiveness of Product Recall procedure at least once a year?**	Full Compliance	
3.8	**Complaint Handling**		
3.8.1	**Does factory have a system for the management of complaints?**	Full Compliance	
3.8.2	**Do records indicate that complaints are thoroughly investigated and corrective actions taken to eliminate the root cause of non-conformities to prevent recurrence?**	Full Compliance	
3.9	**Corrective and Preventive Action**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
3.9.1	**Does factory have a system for investigating the cause of significant non-conformity against operation procedures, which are critical to product safety, legality and quality?**	Full Compliance	
3.9.2	**Are there records indicating that the factory takes timely actions to eliminate the root cause of non-conformities against operation procedures in order to prevent recurrences?**	Full Compliance	
3.10	**Document Control**		
3.10.1	**Does factory maintain proper documentation for control of formulas, specifications, BOM, procedures and work instructions?**	Full Compliance	
3.10.2	**Controlled documents are secured and access restricted?**	Full Compliance	
3.10.3	**Are all relevant safety, legal, quality and complaint documents (e.g. QC, production, complaint, product safety records, etc.) shall be legible and retained in good condition for the time specified by customers or the factory QMS whichever is longer?**	Full Compliance	
3.10.4	**All documents in use are the correct version?**	Full Compliance	
3.10.5	**Any amendments to records are authorized?**	Full Compliance	
3.11	**Internal Audit**		
3.11.1	**Are internal audits on management systems (e.g. QMS) conducted at defined intervals (minimum once a year)?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
3.11.2	**All corrective actions and follow-ups related to internal audits are satisfactorily completed?**	Full Compliance	
4	**Sites and Facilities Management**		
4.1	**Factory layout**		
4.1.1	**Is the building designed, constructed and maintained to minimize any potential for product contamination?**	Full Compliance	
4.1.2	**Does the placement of machinery and equipment allow an efficient product flow and minimize the risk of product contamination, loss of traceability and damage?**	Full Compliance	
4.2	**Production flow**		
4.2.1	**Is a process flow diagram available?**	Full Compliance	
4.2.2	**Do the premises allow sufficient working space and storage capacity to enable all operations to be carried out under safe and if necessary hygienic conditions, including areas such as raw material storage, component storage, production floor, packing or finishing area, finished product storage, etc.?**	Full Compliance	
4.3	**Segregation of products**		
4.3.1	**Is there effective segregation to minimize the risk of product cross-contamination taking into account the flow of product, nature of materials, equipment, personnel, waste, airflow, air quality, and utilities?**	Full Compliance	
4.4	**Staff facilities**		
4.4.1	**Are staff facilities such as washrooms, canteens, and break areas designed and operated so as to minimize the risk of product contamination?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.4.2	**Are workers not allowed to have food, drink, or smoke at their work areas?**	Deviation	During the facility tour, it was noted that 3 observed drinking bottles at end-line inspection section were put under cutting tables and near to products that could cause product contamination.
4.4.3	**Where smoking is allowed under national law, are designated controlled smoking areas isolated from production areas to an extent that ensures smoke cannot reach the product?**	Full Compliance	
4.4.4	**Where specific work wear is required, are designated changing facilities provided for all personnel such as staff, visitors, or contractors?**	Not Applicable	There was no specific workwear required for garment manufacturing
4.4.5	**Are suitable and sufficient hand-cleaning facilities provided at entrance and other appropriate points within production areas?**	Full Compliance	
4.4.6	**Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?**	Full Compliance	
4.5	**Cleaning and hygiene practices(Where applicable) Note: Auditors should make a judgment if this sub-section is applicable based on nature of the products**		
4.5.1	**Are cleaning practices completed so as to minimize risk of contamination?**	Full Compliance	
4.5.2	**Are cleaning, pest control, and process-aid chemicals suitably identified and controlled to prevent the risk of product contamination?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.5.3	**Where cleaning services are outsourced, do service providers have a signed contract which identifies the scope and frequency of the work and a logbook maintained as a record of work done?**	Not Applicable	The facility did not use external cleaning service
4.5.4	**Do documented cleaning procedures exist for the buildings, utilities, plant, and all equipment?**	Full Compliance	
4.5.5	**Do the documented cleaning procedures contain the following information: responsibility for cleaning, items or area to be cleaned, frequency of cleaning, method of cleaning, materials to be used, cleaning records and responsibility for verification?**	Full Compliance	
4.5.6	**Is cleaning and housekeeping carried out by trained personnel in accordance with documented procedures and records maintained?**	Full Compliance	
4.6	**Pest control**		
4.6.1	**Has the factory identified and controlled the risk of pest infestation on the site(by factory internal or external third party), through operation of pest control procedures?**	Full Compliance	
4.6.2	**Does the factory have a clearly defined contract with external contractors which reflect the activities of the site, or have trained staff who undertake this responsibility?**	Full Compliance	
4.6.3	**Are inspection record for pest control maintained and complete?**	Full Compliance	
4.6.4	**Are bait stations robustly constructed, operational, and effective in eliminating the target pests?**	Full Compliance	
4.6.5	**Are bait stations positioned to avoid potential contamination of materials and products? Are fly-killing devices and/or pheromone traps correctly sited and operational?**	Deviation	It was noted that fly-killing devices were not equipped at packing and packaging section.
4.7	**Lighting and ventilation**		
4.7.1	**Is there sufficient lighting in the factory, including the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc.?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.7.2	**Is the ventilation adequate to maintain product safety, legality, and quality at the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc.?**	Full Compliance	
4.8	**Contamination**		
4.8.1	**Does the factory have control of the transport and storage of products, from delivery of raw materials and components, to finished product?**	Non Conformity	It was noted that some bundles of cutting panels were tied with different color string as well as not covered to avoid dust & other contamination. In addition, 02 pallets of packaging materials (cartons) at finishing section were put directly on the floor.
4.8.2	**Has the factory undertaken the necessary steps to identify and prevent the risks of foreign body contamination as identified by risk assessment including any contamination potentially introduced by the packaging?**	Full Compliance	
4.8.3	**Are tools and other sharp objects used in production controlled?**	Non Conformity	During the facility tour, it was noted that one scissor at sewing section and two tape cutters at packing section were not controlled and registered.
4.8.4	**Where a metal or foreign body detector is required or specified by a customer, do documented procedures exist specifying its use, location, critical limits for detection, maintenance, and recording of results?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
4.8.5	**Where applicable are all needles under control without any spare needles unsecured?**	Full Compliance	
4.8.5.1	**If a needle is broken, is there a process for the replacement?**	Full Compliance	
4.8.5.2	**Is there is process to handle and account for all parts of a broken needle?**	Full Compliance	
4.8.5.3	**Does the factory retain all needle control records for a minimum of one year?**	Full Compliance	
4.8.5.4	**Is appropriate action taken when a needle is missing or fragments cannot be found?**	Full Compliance	
4.8.6	**Is the use of wood within raw material handling, preparation, processing, packing, and storage areas eliminated except when used in the product or where associated risks have been evaluated and controlled?**	Full Compliance	
5	**Product Control**		
5.1	**Reference Samples (Preproduction and Production Sample)**		
5.1.1	**Does the factory have a documented procedure to identify, select, categorize, handle, store, approve and use the reference samples (pre-production and production samples)?**	Full Compliance	
5.1.2	**Does the factory retain the samples which have been approved by the customer? If the customer approval is not possible, the sample representative of the agreed specification must be retained. (Note: Exception for those samples are physically very large or represent a very high cost, e.g., same style being produced in more than one line and/or one facility)**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
5.1.3	**Are the samples retained with defined retention period, and securely stored in suitable environmental conditions to maintain their original status?**	Full Compliance	
5.2	**Chemical Control**		
5.2.1	**A 'List of Approved Chemicals with Corresponding Brands / Manufacturers' should be maintained for the chemicals used as an ingredient or in contact with the products. The list can be in electronic format or in the computer system, e.g., ERP.**	Full Compliance	
5.2.2	**When chemicals are used as raw materials or ingredients, does the factory have documented procedure for managing, approving and controlling the engineering changes / product changes that may alter the chemical composition of the final product?**	Full Compliance	
5.2.3	**Is the use of any substances classified as dangerous or of very high concern, in the country of sale documented?**	Not Applicable	The facility did not use any substance classified as dangerous or very high concern.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
5.2.4	**When chemicals are used as raw materials or ingredients, are test reports or certificates of compliance available to demonstrate any presence of hazardous substances / Substances of Very High Concern (SVHC) in all incoming materials and components are below the threshold value for the country of sale?**	Full Compliance	
5.2.5	**Does the facility test final products to ensure that Hazardous Substances (or SVHC) are absent or below threshold value, relating to the product safety regulations of the country in which the products are sold?**	Full Compliance	
5.2.6	**Are controlled storage facilities provided for all chemicals used in the factory site (including cleaning and pest control chemicals) as per the recommendations on the manufacturer label to avoid deterioration or degrade?**	Full Compliance	
5.2.7	**Are procedures, MSDS, description or diagram for the handling of chemicals available at the point of use?**	Full Compliance	
5.2.8	**Are segregation or other measures in place to avoid cross contamination or undesirable chemical reaction of chemical substances and/or preparations (e.g., acids and bases, flammables and oxidizers should not be stored together)?**	Full Compliance	
5.2.9	**Does the factory adopt 'First-in and First-out'' logistic concept on its warehouse management for the chemicals with expiry date (i.e., materials with earlier expiry date should be used first)?**	Full Compliance	
5.2.10	**Are the production equipment and devices inspected and cleaned regularly between batches to avoid cross contamination?**	Full Compliance	
5.3	**Product Packaging Materials**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
5.3.1	**Are packaging assessed for fitness for purpose and determined suitable with regard to the following?**		
5.3.1.1	**Protecting the product from damage;**	Full Compliance	
5.3.1.2	**Maintaining the integrity of the product;**	Full Compliance	
5.3.1.3	**Protecting the consumer from injury; and**	Full Compliance	
5.3.1.4	**Preventing contamination**	Full Compliance	
5.3.2	**Does the product packaging conform to an agreed and documented specification and legal requirements of the country of sale with regard to composition, recyclability?**	Full Compliance	
5.3.3	**Are packaging materials effectively protected before being returned to storage?**	Full Compliance	
5.3.4	**Where staples or other metal closures are used for packaging, are appropriate precautions taken to prevent the risk of contamination, damage or injury to the product or consumer?**	Not Applicable	Staple and metal closures are not used at packaging
5.4	**Control of Non conforming Materials**		
5.4.1	**Does the factory establish documented procedures for the control of non-conforming materials and products, including rejection, segregation, acceptance by concession or re-grading for an alternative use?**	Full Compliance	
5.4.2	**Are the procedures understood by the authorized personnel and implemented effectively?**	Full Compliance	
5.4.3	**Are all non-conforming products and their packaging handled or disposed of according to the nature of the problem and/or the specific customer or legislative requirements?**	Full Compliance	
5.4.4	**Are the records kept for the nonconformities and subsequent actions taken?**	Non Conformity	The nonconformities records with subsequent actions taken for NC materials and products were not maintained for review
5.5	**Product Transport, Storage and Distribution**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
5.5.1	**Is transportation in good repair and in a clean/hygienic condition?**	Full Compliance	
5.5.2	**Are vehicles loaded and unloaded in covered areas/bays to prevent the risk of contamination and damage?**	Full Compliance	
5.5.3	**Where the product needs specific environmental requirements to prevent degradation, are these conditions documented, maintained and monitored during the transportation, storage and distribution?**	Full Compliance	
5.6	**Stock Control and Product Release**		
5.6.1	**Does the factory establish a procedure ensuring only products conforming to specifications/defined quality are dispatched?**	Full Compliance	
5.6.2	**Are the procedures for products dispatch include the following?**		
5.6.2.1	**a) release by authorized personnel**	Full Compliance	
5.6.2.2	**b) all inspections and testing shall be successfully completed and documented to verify legislative and other defined requirements are met.**	Full Compliance	
5.6.3	**Where home-workers or subcontractors are used, are the same procedures for products dispatch (as Q5.6.1 & Q5.6.2) applied to the works/products done by home-workers or subcontractors?**	Not Applicable	The facility did not use sub-contractors for production processes.
5.6.4	**Are controls for correct stock rotation in place to ensure materials and products used in the correct order and within the allocated shelf or usage life, where applicable?**	Full Compliance	
6	**Product Testing and Product Claims**		
6.1	**Product Testing**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
6.1.1	**Does factory establish procedures to undertake or subcontract analyses / testing according to product type and intended retail market?**	Full Compliance	
6.1.2	**Does a documented testing plan exist which includes sample size, frequency, test method and pass/fail criteria for all tests on raw materials, work-in-process and finished products, to ensure that the final product meets customer requirements?**	Full Compliance	
6.1.3	**For those tests on finished products, which factory performs in-house (and does not utilize services of external accredited lab), does the in-house testing comply with the requirements of an approved Independent Laboratory Accreditation Standard or equivalent?** **Note: This clause is applicable only for those tests on finished products, which factory performs in-house and does not utilize services of external accredited lab.**	Not Applicable	Factory does not use internal lab test results to claim finished product compliance. Internal lab test results are used only for internal purposes.
6.2	**Product Claims**		
6.2.1	**Does factory undertake product testing or inspections to validate and verify any stated claims about a product specification, quality or performance?**	Full Compliance	
7	**Process Control**		
7.1	**Control of operations**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.1.1	**Are preproduction meetings undertaken prior to new or substantially changed products being produced, to evaluate and approve the processes?**	Full Compliance	
7.1.2	**In the event of deviation of the process from specification, is corrective action taken and recorded?**	Full Compliance	
7.2	**Control of incoming components and raw materials**		
7.2.1	**Are there documented approval procedures for raw materials and incoming goods, which assure conformance to agreed specifications, requirements and documented positive batch release including compliance to safety and regulatory requirements for the country in which the products will be sold?**	Full Compliance	
7.2.2	**Is there evidence of the inspection status of incoming components and raw materials?**	Full Compliance	
7.2.3	**Do the incoming goods procedures cover subcontracted work and work performed outside of the primary site?**	Not Applicable	The facility did not use sub-contractors for production processes.
7.3	**Calibration and control of measuring and monitoring devices**		
7.3.1	**Has all equipment used in accept or reject activity been effectively calibrated?**	Deviation	It was noted that the calibration of 01 weigh scale at accessories warehouse was expired in August 2022.
7.3.2	**Are records of the results of calibration and verification maintained for a suitable period taking account of the life of the products being produced?**	Full Compliance	
7.3.3	**Are procedures in place for actions to be taken if equipment is found not to be operating within specified tolerances and/or limits?**	Full Compliance	
7.4	**Equipment and tooling maintenance**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.4.1	**Is equipment properly specified before use and operating parameters for production equipment and tooling determined, validated, and implemented as part of the control plan?**	Full Compliance	
7.4.2	**Is there a documented system for planned maintenance covering all items of equipment and plant which are critical to product safety, legality, and quality?**	Full Compliance	
7.4.3	**Are preventative maintenance schedules or cycles documented and on schedule?**	Full Compliance	
7.4.4	**Are engineering and maintenance workshops controlled to prevent contamination risks to the product, and organized, clean and tidy to allow safe, efficient, and good-quality work?**	Full Compliance	
7.4.5	**Do machines, equipment, fixtures, tools and measurement equipment appear to be clean in good condition and well maintained?**	Non Conformity	During the facility tour, it was noted that 04 out of 06 covers of ironing table were dirty that may cause risk contamination on the products.
7.5	**Final product packing and control**		
7.5.1	**Do procedures exist to specify and control the packing of finished product, taking into account customers requirements?**	Full Compliance	
7.5.2	**Has the factory verified that the information shown on primary (consumer) package labels including bar codes and outer cartons are correct and meet the customer specification, regulatory and safety requirements of the region of intended sale?**	Full Compliance	
7.6	**Random Inspections**		
7.6.1	**Are in-line inspections carried out during assembly of the product**	Full Compliance	
7.6.2	**Procedures shall be in place to randomly sample and inspect work-in-process according to customer or internal IPQC requirements.**	Full Compliance	
7.6.3	**Products shall be inspected for appearance, size, color and workmanship prior to packing as per customer or internal requirements.**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.6.4	**Product standards and guidelines shall be available and used by inspectors.**	Full Compliance	
7.7	**Industry Module**		
7.7.1	**Incoming Material Inspection**		
7.7.1.1	**Shades of fabric and yarn shall be checked against approved standard to verify they are within tolerance (conducted under approved light source).**	Full Compliance	
7.7.1.2	**Fabrics shall be inspected according to 4-point, 10-point, or specified system before cutting.**	Full Compliance	
7.7.1.3	**Procedures shall be in place to check shade matching and color to trim on each dye lot.**	Full Compliance	
7.7.1.4	**Trims and accessories from each dye lot shall be tested and visually inspected against standards and approved samples before use in production**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.1.5	**Materials shall have independent test certificates to assure conformity with destination market and/or customer requirements regarding phthalates. (This clause is applicable only to soft toys products only)**	Not Applicable	The facility does not produce soft toys
7.7.2	**Sample Development and Pre-production Plan**		
7.7.2.1	**Patterns (whenever applicable), pre-production and size set (whenever applicable) samples shall be reviewed and checked against approved specifications, construction requirements and design details.**	Full Compliance	
7.7.2.2	**Are initial samples made in the factory?**	Full Compliance	
7.7.2.3	**Are production samples made in the factory?**	Full Compliance	
7.7.2.4	**Are samples checked systematically?**	Full Compliance	
7.7.2.5	**Are bulk fabrics / yarns checked for shrinkage?**	Full Compliance	
7.7.2.6	**Are equipment facilities adequate in the sample room?**	Full Compliance	
7.7.2.7	**Is a dummy fitting form available in the sample room?**	Full Compliance	
7.7.2.8	**Prototypes shall be made from representative materials in approval forms for identifying potential hazard problems (i.e. sharp points, sharp edges, finger entrapment etc.) (This clause is applicable only to soft toys products only)**	Not Applicable	The facility does not produce soft toys

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.3	**Markers, Patterns, Cutting, and Fusing**		
7.7.3.1	**Paper pattern and markers (whenever applicable) shall be checked and approved prior to cutting.**	Full Compliance	
7.7.3.2	**Procedures and controls for spreading process shall be in place based upon fabric properties. Relaxation time and spread height shall be appropriate for the material being spread.**	Full Compliance	
7.7.3.3	**Fabrics/yarns shall be cut according to dye/shade lot.**	Full Compliance	
7.7.3.4	**White/light colors shall be cut separately from darker shade fabrics/yarn.**	Full Compliance	
7.7.3.5	**When necessary, is each cut piece individually ticketed with data to give total traceability?**	Full Compliance	
7.7.3.6	**Cut panels shall be checked against marker using top, middle and bottom panels from the cut panel blocks. (This clause is applicable for Apparel only)**	Full Compliance	
7.7.3.7	**Cut panel replacement procedures shall be in place to replace defective panels with fabric from the same dye lot or shade.**	Full Compliance	
7.7.3.8	**Fusing quality shall be monitored through periodic testing of temperature and bond strength with records maintained.**	Full Compliance	
7.7.4	**Sewing, Knitting, and Linking**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.4.1	**Sewing lines shall be organized in accordance with process flow, with work instruction.**	Full Compliance	
7.7.4.2	**Random measurement inspection at end of the sewing line shall be carried out.**	Full Compliance	
7.7.4.3	**Operators of knitting machines shall have approved written procedures explaining the knitting sequence, the amount of weights required for each style, courses/inch, wales/inch, panel width and height when using hand frame machines. Automatic knitting machines shall be properly set per instructions.**	Not Applicable	There were no knitting processes in the facility.
7.7.4.4	**When necessary, are shade lots separated by a color continuity system?**	Full Compliance	
7.7.4.5	**Are approved samples displayed in the sewing room?**	Full Compliance	
7.7.4.8	**Does the factory have a system to manage the labels and hangtags?**	Full Compliance	
7.7.5	**Wet Processing (N/A if No Wet Processing)**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.5.1	**Each wash batch shall be inspected and approved for shade variation against approved shade band under an approved light source.**	Not Applicable	There was no wet processing in the facility
7.7.5.2	**Each batch shall be inspected for critical measurement prior to and after washing.**	Not Applicable	There was no wet processing in the facility
7.7.5.3	**Products shall be weighed to ensure the correct quantity of detergent is being calculated and used in accordance with the washing formula.**	Not Applicable	There was no wet processing in the facility
7.7.5.4	**Controls shall be in place to ensure that processing cycle times, temperature, and pH are accurately controlled.**	Not Applicable	There was no wet processing in the facility
7.7.5.5	**Control and procedures shall be in place to ensure that color, effect and hand feel standards, as well as other aesthetic properties and standards are met.**	Not Applicable	There was no wet processing in the facility

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.5.6	**Testing shall be conducted on a routine basis to ensure the quality of the water and steam is acceptable and will not cause stains or adversely affect the formula.**	Not Applicable	There was no wet processing in the facility
7.7.5.7	**Are hand feel and appearance samples available in this section?**	Not Applicable	There was no wet processing in the facility
7.7.5.8	**Is a light inspection carried out before washing?**	Not Applicable	There was no wet processing in the facility
7.7.5.9	**Is a light inspection carried out after washing?**	Not Applicable	There was no wet processing in the facility
7.7.6	**In-process Control/Testing**		
7.7.6.1	**Set-up instruction sheets shall be present at each embroidery machine. Thread tension shall be monitored with records kept.**	Not Applicable	There was no embroidery process in the facility.
7.7.6.2	**Products or components being produced at sub-contracted facilities or the outsource of washing, embroidery, printing, snap and fastener attachment processes etc. shall be inspected after goods are returned from the sub-contractor.**	Not Applicable	The facility did not use subcontractors for production processes

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.6.3	**Controls shall be in place for all critical machine, thread and needle settings base on fabric types and style.**	Full Compliance	
7.7.6.4	**Seconds and overruns products shall be handled as per customer requirements.**	Full Compliance	
7.7.6.5	**Testing for attachment security shall be carried out according to customer requirements or internal standards as appropriate.**	Full Compliance	
7.7.6.6	**Filled products (cushions, comforters, filled jackets, etc.) should be tested for flammability and must comply with the safety requirements where the products are sold, as applicable.**	Not Applicable	The facility did not have filling/stuffing products
7.7.6.7	**Filled products being exported to US should have a Law label sewn on to the product.**	Not Applicable	The facility did not have filling/stuffing products
7.7.6.8	**Opening and mixing of filling components in Blended filling materials.**	Not Applicable	The facility did not have filling/stuffing products
7.7.6.9	**In filling / stuffing section, factory shall take steps to ensure that no paper, polythene, floor sweepings or other contaminants, e.g. dust, are mixed in with the filling / stuffing material.**	Not Applicable	The facility did not have filling/stuffing products
7.7.6.10	**Procedures or W/I for controlling weight of stuffing is per product specification or customer requirement.**	Not Applicable	The facility did not have filling/stuffing products

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.6.11	**Fire Resistant fabric/filling (fibers) material shall have independent test certificates, and shall be segregated from non Fire Resistant Fabric/Filling (fibers) Material. (This clause is applicable only to soft toys products only)**	Not Applicable	The facility did not produce soft toys.
7.7.8	**Finishing and Pressing**		
7.7.8.1	**Trimming shall be conducted according to customer requirements or internal standards.**	Full Compliance	
7.7.8.2	**Pressing shall be carried out according to customer requirements or internal standards as appropriate.**	Full Compliance	
7.7.8.3	**Controls shall be in place to ensure proper cleaning equipment and cleaning agents are applied to different stain types.**	Full Compliance	
7.7.8.4	**Products shall be separated into shades prior to packing per customer requirements or internal standards whichever is applicable.**	Full Compliance	
7.7.8.5	**Is a conveyor-belt-type metal detector used?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.8.6	**Before any finished goods can be passed through the metal detector, are "checking tests" carried out using the nine-point system?**	Full Compliance	
7.7.8.7	**Does the factory conduct 100% metal detection?**	Full Compliance	
7.7.8.8	**Does the factory have a "metal-free" area?**	Full Compliance	
8	**Personnel Training and Competency**		
8.1	**Does the factory establish training procedures?**	Full Compliance	
8.2	**Does the factory determine necessary competence for personnel performing work impacting product safety, legality and quality?**	Full Compliance	
8.3	**Does the factory regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality?**	Non Conformity	The facility did not regularly identify training needs for employees performing work that affects product safety, legality and quality.
8.4	**Are personnel performing work that affects product safety, legality and quality (including temporary personnel and contractors) appropriately trained and instructed prior to commencing work and adequately supervised throughout the working period?**	Full Compliance	

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
8.5	**Are the personnel, who have a direct effect on the safety, quality or legality of products, trained to ensure understanding of risk assessment procedures or outcomes as necessary for their activity?**	Full Compliance	
8.6	**Are the effectiveness of trainings evaluated?**	Full Compliance	
8.7	**Are up-to-date training records stored in a secure way such that privacy of personnel is protected?**	Full Compliance	
8.8	**Are the personnel performing work that affects product safety, legality and quality demonstrably competent to carry out their activity?**	Full Compliance	

Version 02 - 23 Nov 2018

Costco Pre- Audit Questionnaire (PAQ)

Instruction:
1. Supplier/ Factory representatives must complete all the required fields(highlighted in yellow), put N/A if not applicable.
2. Supplier/Factory shall provide accurate informations to represent the factory to be audited. Intertek Auditor will verify during the audit.
3. Supplier/ Factory need to submit this completed PAQ to Intertek Coordinator at least 5 days before confirmed audit date.

1. Factory Overview

Factory Name	BINH DINH GARMENT JOINT STOCK COMPANY - QUY NHON II FACTORY
Factory Address	02 MAI HAC DE STR, QUY NHON CITY, BINH DINH PROVINCE
Factory Phone Number	0256 3893 356
Factory Fax Number	
URL/Web Address	XXXX
Name of Contact	Mrs. Do Thi My Lien
E-mail address	mylien@bidiga.com.vn
Year Established	2006
Number of Buildings	1
Factory GLN (Global Locator Number)	
Total Production Area M^2	5.550
Warehouse Area M^2	1.076
Does factory provide permission for 3rd party auditor to take photographs in all storage and production areas during Costco audit?	Yes

2. Personnel

2.1 Key Staff	Name	Tel	E-mail	Year(s) in Position at Company	Year(s) at Company
General Manager	Mrs. Do Thi My Lien	0905,310,885	mylien@bidiga.com.vn	1 year	1 year
Quality/Technical Manager	Mrs. Do Thi Kim Tuyet	0935,884,331	tuyet.kt@bidiga.com.vn	20 years	30 years
Production Manager	Mrs. Dang Thi Thu Hien	0383,250,377		15 years	30 years
R & D Manager	Mrs. Nguyen Thi Phuc	0935,875,440	phuc.ktcn@gmail.com	12 years	20 years
Health & Safety Officer	Mr. Dang Quoc Chuong	0902,994,522	chuong@bidiga.com.vn	4 years	12 years
Security Representative/Officer	Mr. Dang Quoc Chuong	0902,994,522	chuong@bidiga.com.vn	2 years	12 years
Equipment Maintenance					
Others (please specify)					

2.2 Personnel / Headcount by Department

Department	Full time	Part time	Sub Total
Sewing	244		244
Cutting	26		26
Finishing	24		24
Merchandising	13		13
Technician	14		14
Sourcing	6		6
QA/QC	36		36
Management	19		19
			0
		Grand Total:	382

3. Export Markets

Markets	% of Total Business Volume
U.S. / North America	90%
E.U.	5%
Asia	5%
Others	
Domestic	

4. Key Clients (past 12 months)

Customers	% Business	Type of Products	Market(s)
Example : Client ABC	15	Woven Pants	USA
Costco/Byer Aurora Inrestments Gbobal Limited (AIGL)		KS Ladies long women pants	CANADA
Costco/Byer Aurora Inrestments		Champion youth Hood	TAIWAN
Costco/Byer Aurora Inrestments		Champion youth Jogger	TAIWAN
		Zyial	USA, AUSTRALIA, CANADA

5. Product Capabilities

5.1 What items the factory produced in past 12 months?

Product Category	Years of Experience Producing Product	Actual Units Shipped
Example. Woven Tops	10 years	1 million pcs
KS Ladies long women pants	7 months	121.248
Champion youth Hood	15 months	18.150
Champion youth Jogger	15 months	18.000
Zyial	3 years	54.795

5.2 What are the current items being produced?

Product Category	Material	Client	Ship date	Quantity (units)
Example: Pants	100% Cotton	Client ABC	2023/03/01	500,000
KS Ladies Women Statement Capri	91% Polyester 9% Spandex	Cosco/ AIGL	2023/01/16	150.084
KS Ladies Women Statement Capri	91% Polyester 9% Spandex	Cosco/ AIGL	2023/02/04	140.008
KS Ladies Women Statement Capri	91% Polyester 9% Spandex	Cosco/ AIGL	2023/02/18	100.056
KS Ladies Women Statement Capri	91% Polyester 9% Spandex	Cosco/ AIGL	2023/03/03	100.056
KS Ladies Women Statement Capri	91% Polyester 9% Spandex	Cosco/ AIGL	2023/01/16	15.092
KS Ladies Women Statement Capri	91% Polyester 9% Spandex	Cosco/ AIGL	2023/03/10	792

Version 02 - 23 Nov 2018

Costco Pre- Audit Questionnaire (PAQ)

Instruction:
1. Supplier/ Factory representatives must complete all the required fields(highlighted in yellow), put N/A if not applicable.
2. Supplier/Factory shall provide accurate informations to represent the factory to be audited. Intertek Auditor will verify during the audit.
3. Supplier/ Factory need to submit this completed PAQ to Intertek Coordinator at least 5 days before confirmed audit date.

6. Production Capabilities

In case of power shortage, is back-up generator in place? No

If yes, how many and what is the capacity of each generator?

6.1 List of Major Machinery / Utilities

Machinery	Type	Quantity	Condition
Example: Sewing Machines	Single Needle	100	Fully operational
Sewing Machine	Single Needle (Nataka, Juki)	166	
Sewing Machine	Double Needle (Nataka, Typical, Brother, Juki)	10	
Sewing Machine	Multi Needle (Nataka, Hiraki, Jack)	15	
Sewing Machine	Bartack (Juki, Hiraki, Nataka, Feiyue...)	11	
Sewing Machine	Overlock (Nataka, Hiraki,...)	170	
Sewing Machine	Keyhole Buttonhole (Local make)	5	
Cutting machine	Cutting machine (Kingbow, KM)	19	
Metal Detection	Metal detection machine (Hashima)	1	

6.2 List of Process being subcontracted

Process Subcontracted
1. Example- Embroidery
No

6.3 List of All Main Materials used in past 12 months

Material Name	Imported (Y/N)	Country of Origin
Example: 100% Cotton	Y	USA
91% Poly 9% Spandex	N	China

7. Management Systems and Accreditation

(please attach copies of each)

Accreditation		Certifying Body	Date	Expiry
ISO 9001	No			
ISO 14001	No			
BRC Standard - Consumer Products	No			
Others (please specify):				

Is product certification done in terms of selling destination (e.g., UL for US, CCC for China, CE for Europe…) at the factory?

	Certifying Body	Date	Expiry
if Yes, please specify			

8. Quality Control Management

Are QA/QC inspectors independent of production? Yes

Who does the QC/QA Manager/Supervisor report to? Mrs. Do Thi Kim Tuyet

How many QA/QC in total? 36

COMPANY CHOP

Name & Signature of Supplier Representative/ Title

(mm/dd/yyyy)
Date

Mrs. Do Thi My Lien

Name & Signature of Factory Representative/Title

COMPANY CHOP

(15/12/2022)
Date

DIGITAL PHOTO FORM

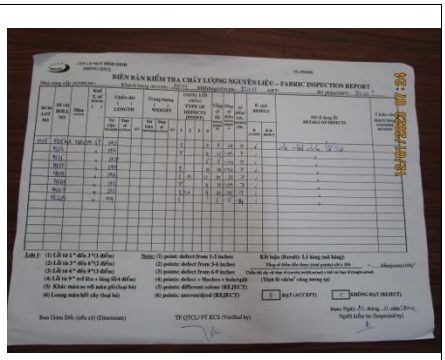
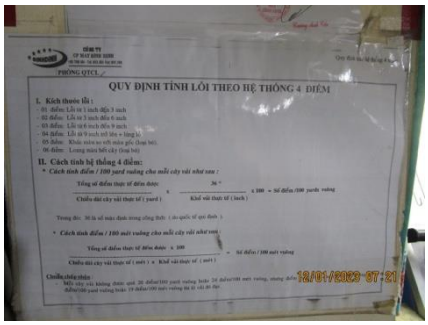
Report No.	Vie 14059-02
Factory	Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company
Audit Date	12-13 January 2023

General Factory Tour Photos

<table>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 1) Facility name</td><td>Photo 2) Facility name</td><td>Photo 3) Facility overview</td></tr>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 4) Security guard</td><td>Photo 5) Material warehouse</td><td>Photo 6) Accessories warehouse</td></tr>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 7) Materials inspection area</td><td>Photo 8) Waiting inspection area</td><td>Photo 9) Fabrics defect illustration</td></tr>
</table>

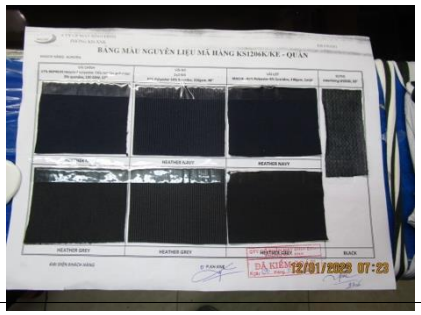
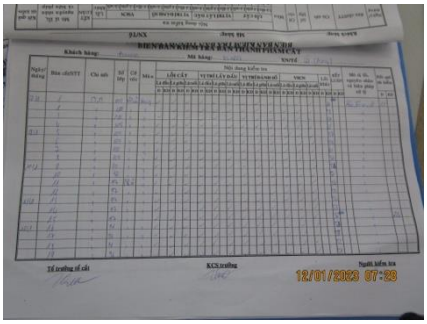
DIGITAL PHOTO FORM

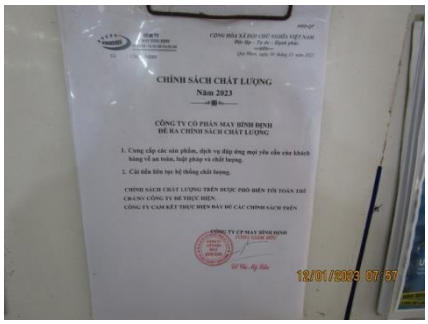
Report No.	Vie 14059-02
Factory	Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company
Audit Date	12-13 January 2023

<table>
<tr>
<td> 
</td>
<td> 
</td>
<td> 
</td>
</tr>
<tr>
<td>Photo 10) Identification card</td>
<td>Photo 11) Accessories defect illustration</td>
<td>Photo 12) Fabrics inspection report</td>
</tr>
<tr>
<td> 
</td>
<td> 
</td>
<td> 
</td>
</tr>
<tr>
<td>Photo 13) Work instruction</td>
<td>Photo 14) Light box</td>
<td>Photo 15) Calibration label on light box</td>
</tr>
<tr>
<td> 
</td>
<td> 
</td>
<td> 
</td>
</tr>
<tr>
<td>Photo 16) Non-conforming materials area</td>
<td>Photo 17) Internal calibration stamp on tape ruler</td>
<td>Photo 18) Accessories inspection area</td>
</tr>
</table>

DIGITAL PHOTO FORM

Report No.	Vie 14059-02
Factory	Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company
Audit Date	12-13 January 2023

		
Photo 19) Approved trim card	**Photo 20) Non-conforming accessories area**	**Photo 21) Approved fabrics sample**
		
Photo 22) Cutting section	**Photo 23) Approved pattern**	**Photo 24) Cutting panel inspection report**
		
Photo 25) Cutting panel inspection area	**Photo 26) Fusing section**	**Photo 27) Temperature gun**

		
Photo 28) Fusing testing report	**Photo 29) Bonding testing equipment for fused part**	**Photo 30) Quality policy was posted in the production line**
		
Photo 31) Pull test equipment	**Photo 32) Hand metal detector**	**Photo 33) Sharp toolbox**
		
Photo 34) Sewing section	**Photo 35) End-line inspection area**	**Photo 36) Work instruction at end-line inspection**

DIGITAL PHOTO FORM

Report No.	Vie 14059-02
Factory	Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company
Audit Date	12-13 January 2023

Photo 37) Pass products basket

Photo 38) Reject products basket

Photo 39) End-line inspection report

Photo 40) Trimmer was attached to bench

Photo 41) Approved sample at end-line inspection area

Photo 42) Ironing section

Photo 43) Broken needle exchange room

Photo 44) Needle exchange work instruction

Photo 45) Broken needle record

		
Photo 46) Drinking station	**Photo 47) Finishing section**	**Photo 48) Packaging section**
		
Photo 49) Fly-killing device	**Photo 50) Drying room**	**Photo 51) Metal detector (input)**
		
Photo 52) Metal detector (output)	**Photo 53) Work instruction for metal detecting**	**Photo 54) Metal contaminated box**

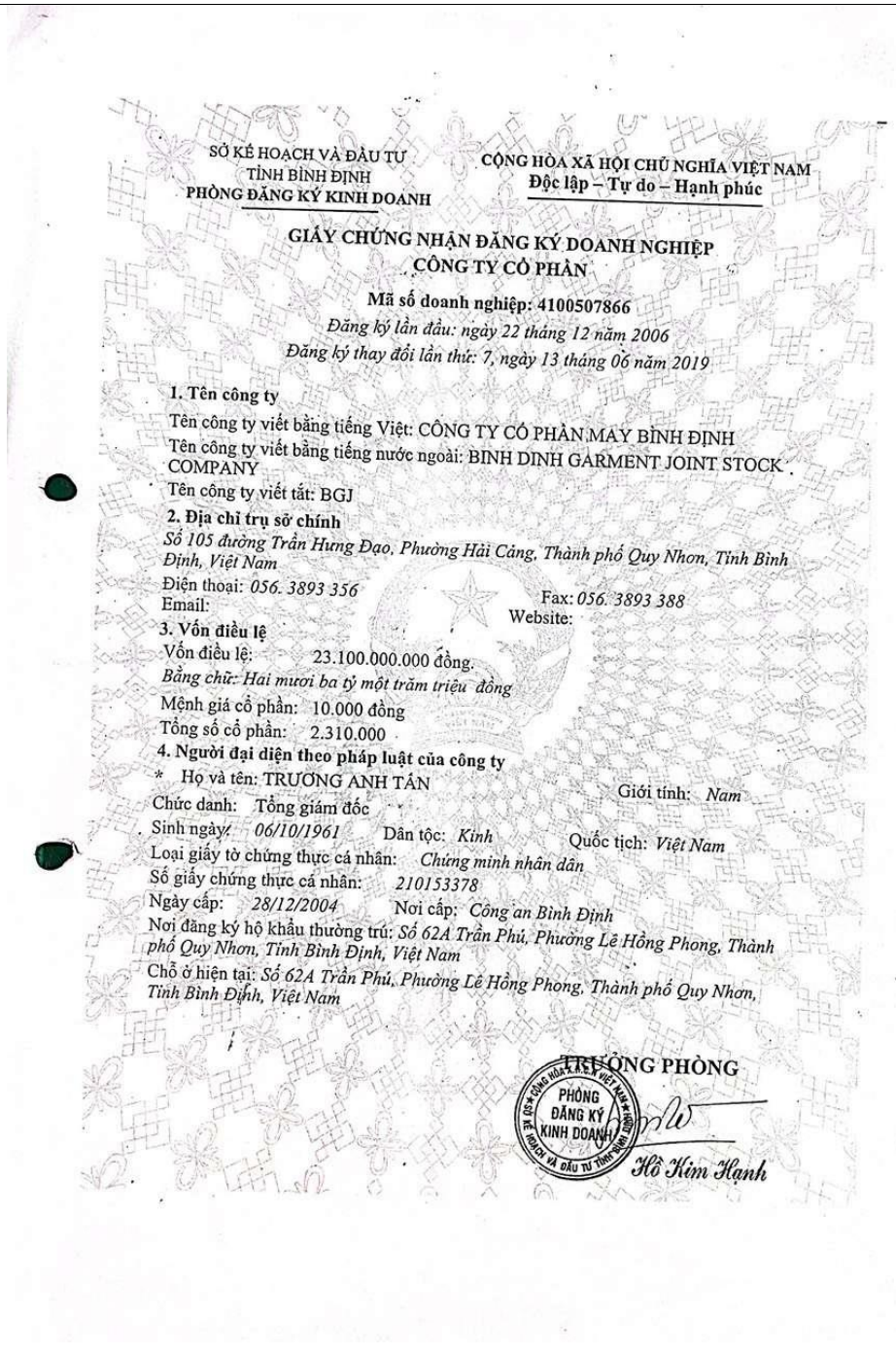
DIGITAL PHOTO FORM

Report No.	Vie 14059-02
Factory	Quy Nhon 2 Garment Factory - Branch of Binh Dinh Garment Joint Stock Company
Audit Date	12-13 January 2023

<table>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 55) Metal test card</td><td>Photo 56) Finished goods warehouse</td><td>Photo 57) Loading area</td></tr>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 58) Sample line</td><td>Photo 59) Fit form</td><td>Photo 60) Bait station</td></tr>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 61) Finding #3.6.2: at least 05 pallets of finished goods at finished goods warehouse were not identified with final inspection status</td><td>Photo 62) Finding #3.6.2: most of incoming fabrics were not identified with receiving date.</td><td>Photo 63) Finding #4.4.2: 3 observed drinking bottles at end-line inspection section were put under cutting tables and near to products that could cause product contamination</td></tr>
</table>

		
Photo 64) Finding #4.8.1: some bundles of cutting panels were tied with different color string as well as not covered to avoid dust & other contamination	**Photo 65) Finding #4.8.1: 02 pallets of packaging materials (cartons) at finishing section were put directly on the floor**	**Photo 66) Finding #4.8.3: it was noted that one scissor at sewing section was not controlled and registered.**
		
Photo 67) Finding #4.8.3: it was noted that two tape cutters at packing section were not controlled and registered.	**Photo 68) Finding #7.3.1: the calibration of 01 weigh scale at accessories warehouse was expired in August 2022.**	**Photo 69) Finding #7.4.5: it was noted that 04 out of 06 covers of ironing table were dirty that may cause risk contamination on the products.**

Facility Business License



SỞ KẾ HOẠCH VÀ ĐẦU TƯ
TỈNH BÌNH ĐỊNH
PHÒNG ĐĂNG KÝ KINH DOANH

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập – Tự do – Hạnh phúc

GIẤY CHỨNG NHẬN ĐĂNG KÝ DOANH NGHIỆP
CÔNG TY CỔ PHẦN

Mã số doanh nghiệp: 4100507866

Đăng ký lần đầu: ngày 22 tháng 12 năm 2006
Đăng ký thay đổi lần thứ: 7, ngày 13 tháng 06 năm 2019

1. Tên công ty

Tên công ty viết bằng tiếng Việt: CÔNG TY CỔ PHẦN MAY BÌNH ĐỊNH
Tên công ty viết bằng tiếng nước ngoài: BINH DINH GARMENT JOINT STOCK COMPANY
Tên công ty viết tắt: BGJ

2. Địa chỉ trụ sở chính

Số 105 đường Trần Hưng Đạo, Phường Hải Cảng, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam
Điện thoại: *056. 3893 356* Fax: *056. 3893 388*
Email: Website:

3. Vốn điều lệ

Vốn điều lệ: 23.100.000.000 đồng.
Bằng chữ: Hai mươi ba tỷ một trăm triệu đồng
Mệnh giá cổ phần: 10.000 đồng
Tổng số cổ phần: 2.310.000

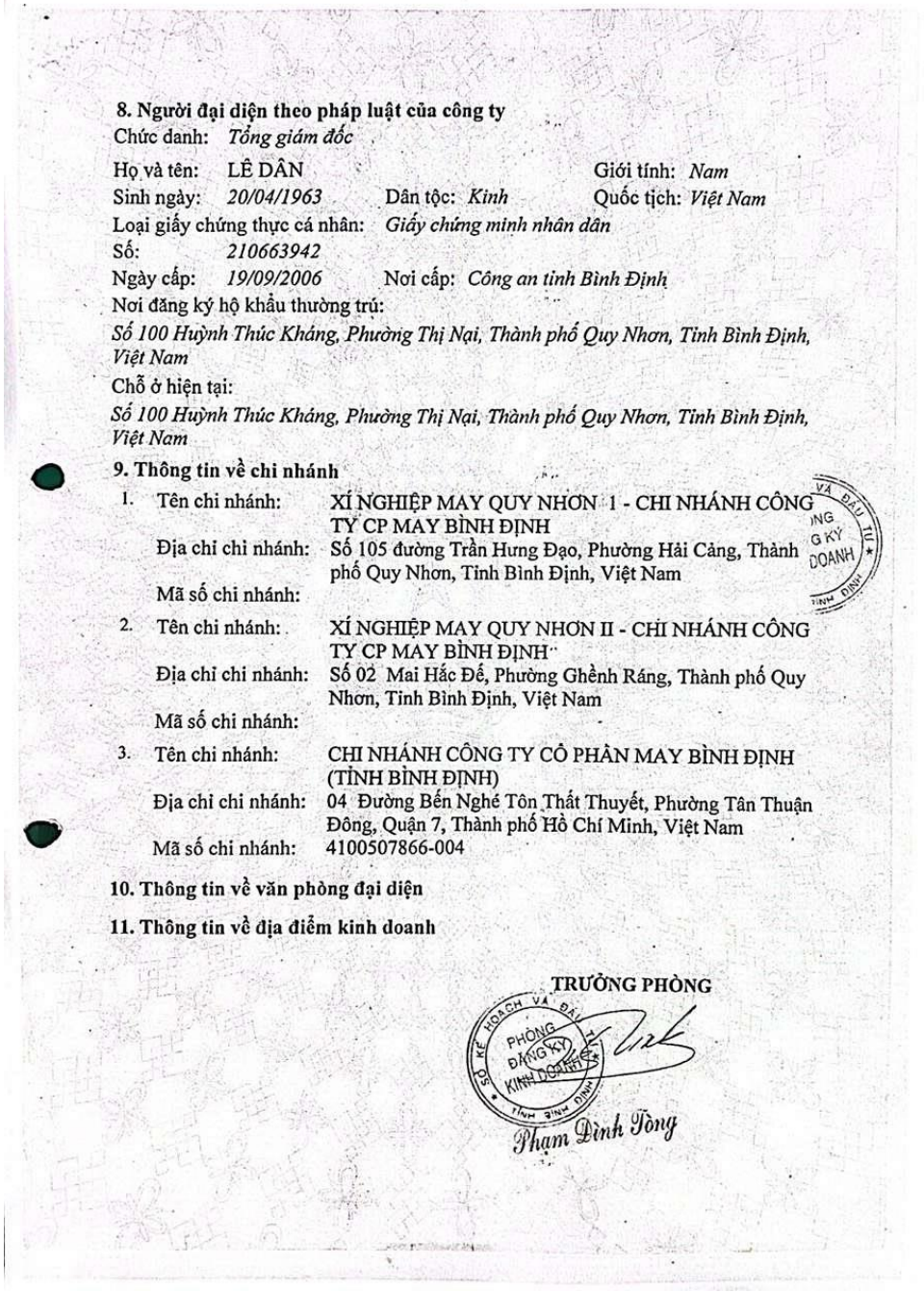
4. Người đại diện theo pháp luật của công ty

* Họ và tên: TRƯƠNG ANH TÁN Giới tính: *Nam*
Chức danh: Tổng giám đốc
Sinh ngày: *06/10/1961* Dân tộc: *Kinh* Quốc tịch: *Việt Nam*
Loại giấy tờ chứng thực cá nhân: *Chứng minh nhân dân*
Số giấy chứng thực cá nhân: *210153378*
Ngày cấp: *28/12/2004* Nơi cấp: *Công an Bình Định*
Nơi đăng ký hộ khẩu thường trú: *Số 62A Trần Phú, Phường Lê Hồng Phong, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam*
Chỗ ở hiện tại: *Số 62A Trần Phú, Phường Lê Hồng Phong, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam*

TRƯỞNG PHÒNG

PHÒNG ĐĂNG KÝ KINH DOANH

Hồ Kim Hạnh



8. Người đại diện theo pháp luật của công ty

Chức danh: *Tổng giám đốc*

Họ và tên: LÊ DÂN Giới tính: *Nam*

Sinh ngày: *20/04/1963* Dân tộc: *Kinh* Quốc tịch: *Việt Nam*

Loại giấy chứng thực cá nhân: *Giấy chứng minh nhân dân*

Số: *210663942*

Ngày cấp: *19/09/2006* Nơi cấp: *Công an tỉnh Bình Định*

Nơi đăng ký hộ khẩu thường trú:

Số 100 Huỳnh Thúc Kháng, Phường Thị Nại, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam

Chỗ ở hiện tại:

Số 100 Huỳnh Thúc Kháng, Phường Thị Nại, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam

9. Thông tin về chi nhánh

1. Tên chi nhánh: XÍ NGHIỆP MAY QUY NHƠN 1 - CHI NHÁNH CÔNG TY CP MAY BÌNH ĐỊNH
   Địa chỉ chi nhánh: Số 105 đường Trần Hưng Đạo, Phường Hải Cảng, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam
   Mã số chi nhánh:
2. Tên chi nhánh: XÍ NGHIỆP MAY QUY NHƠN II - CHI NHÁNH CÔNG TY CP MAY BÌNH ĐỊNH
   Địa chỉ chi nhánh: Số 02 Mai Hắc Đế, Phường Ghềnh Ráng, Thành phố Quy Nhơn, Tỉnh Bình Định, Việt Nam
   Mã số chi nhánh:
3. Tên chi nhánh: CHI NHÁNH CÔNG TY CỔ PHẦN MAY BÌNH ĐỊNH (TỈNH BÌNH ĐỊNH)
   Địa chỉ chi nhánh: 04 Đường Bến Nghé Tôn Thất Thuyết, Phường Tân Thuận Đông, Quận 7, Thành phố Hồ Chí Minh, Việt Nam
   Mã số chi nhánh: 4100507866-004

10. Thông tin về văn phòng đại diện

11. Thông tin về địa điểm kinh doanh

TRƯỞNG PHÒNG

PHÒNG ĐĂNG KÝ KINH DOANH

Phạm Đình Tòng