Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Version No.: 15 1-Oct-22

Audit Details			
Costco Audit Request #	202212-NFGMP-25921		
Audit Type	**Annual Audit**		
Audit Report #	FA23-00206	Auditor Name	Thien Nguyen
Audit Start Date	Feb. 15-16, 2023	Number of Mandays	2
Follow-up Audit 1	**Not Applicable**		
Factory Name	**Branch of Binh Thuan - Nha Be Garment JSC - Tuy Phong Garment Factory**		
Address	Industrial Zone of North of Tuy Phong, Lac Tri Village, Phu Lac Commune, Tuy Phong District, Binh Thuan Province, Vietnam		
City	Nil	State/Province	Binh Thuan
Country	Vietnam		
Postcode	800000		
Telephone #	0908837552		
E-mail	khuong@tuyphonggarment.com		
Supplier Name	LT Apparel Group		

Key Personnel		
Name	Job Title	E-mail ID
Pham Van Khuong	General Manager	khuong@tuyphonggarment.com
Nguyen Minh Chau	Quality Manager	minhchau@tuyphonggarment.com
Nguyen Thi Ngoc Diem	Production Manager	ngocdiem@tuyphonggarment.com

Note: provide up to 5 key personnel only

Sub-contractor Information		
Processes	Factory Name	Factory Address
None		

Company Profile	
Factory established in year:	2013
Main manufacturing processes:	Material-Cutting-Embroidery-Printing-Sewing- Ironing-Finishing&Packing
Product category	Sport wear, Pants, Shorts, T-shirt
Factory area / dimensions	39,000 m2
Number of Buildings	7
Total number of employees	2,345
Monthly Production capacity	220,000 pcs/ month
International certification	None
Peak season	None
Major market	US
Major customer	Adidas, Costco

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Remarks (if any): Nil

AUDIT RESULT SUMMARY

Branch of Binh Thuan - Nha Be Garment JSC - Tuy Phong Garment Factory

Annual Audit			
Report #	FA23-00206	Audit Date	Feb. 15-16, 2023
Auditor Name	Thien Nguyen	Number of Mandays	2
	Section Name	**Section Score**	**Section Rating**
Section 1	Management Commitment & Continual Improvement	100%	Green
Section 2	Risk Management	100%	Green
Section 3	Quality Management System	95%	Orange
Section 4	Site and Facility Management	91%	Orange
Section 5	Product Control	95%	Orange
Section 6	Product Testing	100%	Green
Section 7	Process Control	99%	Orange
Section 8	Personnel Training	100%	Green
		Overall Score	**Overall Rating**
		97.56%	**Orange**

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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	The formal quality policy was established, documented and well understood by the whole organization.
1.2	**Is the policy communicated throughout the factory, and regularly reviewed?**	Full Compliance	The policy was communicated to employees by annual trainings
1.3	**Did management develop and implement a management system to achieve their goals for product quality, safety and customer requirements?**	Full Compliance	A set of standard operating procedures covering the whole operation process was established and approved by top management.
1.4	**Does factory review effectiveness of management systems (e.g. QMS) at defined intervals (minimum once per year)?**	Full Compliance	Factory conducted meetings to review their quality management system yearly
1.5	**Are there documentary evidence that demonstrate management commitment to improve any significant area of findings identified during an audit?**	Full Compliance	After the audits, the factory did corrective action plans to solve the non-conformities.
1.6	**Does factory track its key performance indicators (KPI) for on-time delivery, outgoing quality, complaint rate, etc.?**	Full Compliance	Quality objectives and calculating methods were defined. KPI tracking records showed the actual implementation of the factory.
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	Per interview and document check, it was noted that factory aware of relevant legislation, mandatory standards and industry/customer codes of practice applicable to the product in the countries
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	The information of the products are always reviewed before quotation and updated when necessary.

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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	Client provided product design so this clause was N/A.
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	The factory kept copies of product risk assessment for similar groups of products
2.2.3	**Does the product risk assessment address the following aspects which have an effect on product safety and legality?**		
2.2.3.1	**User types (e.g., new born, young children, vulnerable people i.e., elderly, disabilities)**	Full Compliance	User types was defined in product risk assessment
2.2.3.2	**Product use (e.g., behavior, durability, user awareness, information and advice)**	Full Compliance	Product use was defined in product risk assessment
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	Possible risks (e.g. Chemical, Physical, Regulatory) were defined in product risk assessment
2.2.4.2	**Risk level for each identified hazard/risk (e.g. Severe, High, Moderate, Slight)**	Full Compliance	Risk level for each identified hazard was defined
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	The overall risks were determined by considering the probability or likelihood and the severity and potential consequences of the effects on consumer safety.
2.2.5	**Does the factory conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?**	Full Compliance	The factory conducted a Process Risk Assessment of hazards potentially
2.2.6	**Does the process risk assessment take the following into account?**		

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2.2.6.1	**Manufacturing parameters such as pressure, time, temperature**	Full Compliance	Manufacturing parameters such as pressure, time was defined on Process Risk Assessment record.
2.2.6.2	**Conditions of equipment, molds, dies, machinery**	Full Compliance	conditions of equipment is determined
2.2.6.3	**Chemicals / materials used for equipment (e.g. lubricating oils and paints)**	Full Compliance	The risk assessment record indicated that chemicals / materials used for equipment is determined
2.2.6.4	**Calibration of equipment**	Full Compliance	calibration of equipment is determined
2.2.6.5	**Policies on foreign body contamination (e.g. needles, metal, glass and brittle plastics)**	Full Compliance	policies on foreign body contamination is determined
2.2.6.6	**Policies on microbiological contamination (e.g. hygiene of toilet & canteen, pest control)**	Full Compliance	Policies on microbiological contamination (e.g. hygiene of toilet & canteen) were defined in process risk assessment.
2.2.6.7	**Personal protective equipment (including specific clothing and footwear)**	Full Compliance	The risk assessment record indicated that Personal protective equipment (including specific clothing and footwear) is identified
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	A list of potential risk or hazards in the production process is in place
2.2.7.2	**Control points to manage the identified risk to acceptable level**	Full Compliance	Control points to manage the identified risk to acceptable level is in place
2.2.7.3	**Accept / reject limits defined for each control point**	Full Compliance	The risk assessment record indicated that Accept / reject limits defined for each control point is defined
2.2.7.4	**Corrective action to be taken where a CCP is out of control**	Full Compliance	Corrective action have been defined where a CCP is out of control

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2.2.7.5	**Responsibility of Control Points**	Full Compliance	Responsibility of Control Points have been defined
2.2.7.6	**Records of monitoring & reviews**	Full Compliance	Records of monitoring & reviews is in place
2.3	**Verification of Risk Assessment**		
2.3.1	**Is the verification of risk assessment carried out prior to production?**	Full Compliance	the verification of risk assessment was carried out prior to production
2.3.2	**Is the risk assessment carried out by competent personnel (internal or external)?**	Full Compliance	The personnel who conduct risk assessment had been received formal risk assessment training by external parties.
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	The risk assessment was review annually or when changes are made to product design and materials and/or key manufacturing processes
2.3.4	**Does the factory implement risk management systems based on a systematic risk assessment system to assure product safety legality and quality?**	Full Compliance	Factory had established Product & Process Risk assessment document
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	Top management approved a quality system to help achieve customer requirements and their commitment in the factory quality policy.
3.1.2	**Does the quality system include detailed procedures, instructions, and reference documents covering all manufacturing processes?**	Full Compliance	Work-instructions, SOP, inspection plans, reference documents, applicable forms and templates were provided for all processes
3.2	**Organizational Structure, Responsibility and Authority**		

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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	Job Description, Organizational Chart, procedures of the organization structure and different functions with corresponding responsibility and authority of all personnel who affect product safety, legality and quality were be evident, understood, and implemented.
3.2.2	**Are there appropriate arrangements in place, to cover for the absence of key staff?**	Full Compliance	Reliever employees for key staff position are clearly identified in their job description in case of absences.
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	The factory had communication process internally to discuss and made all relevant personnel's aware of customers' requirement
3.3.2	**Are performance indicators relating to customer satisfaction established?**	Full Compliance	Customer satisfaction performance indications are established. Survey was conducted annually. Results are used to identify areas of improvement.
3.3.3	**Does factory establish a procedure or policy to safeguard customer property including software and intellectual property?**	Full Compliance	Factory established a procedure to safeguard customer property including software and intellectual property.
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	Specifications are available for all sampled materials and products.
3.4.2	**Are specifications adequate, accurate, and ensure compliance with relevant safety, legislative and customer requirements?**	Full Compliance	Specifications are detailed, accurate and comply with relevant safety, legislative and customer requirements.
3.4.3	**Any changes in product specifications are formally agreed with customers and then communicated to relevant departments?**	Full Compliance	All changes relating to products had to be announced to customers to ask for approval

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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	The supplier selection and control SOP was in place and well implemented
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	The assessment criteria were defined clearly in the SOP and assessment checklist was applied properly
3.5.3	**Does factory provide material specifications and compliance requirements to raw-material, trims and packaging materials suppliers when placing orders?**	Full Compliance	It is actually implemented well. Per random check purchasing orders for variety of material, noted that factory provide accordant information of product to suppliers when placing orders.
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	Manual traceability system was applied. It is possible to trace backward or forward any kinds of material, semi products, finished products including packaging
3.6.2	**Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?**	Full Compliance	Identification label was used for the raw materials, semi and final products at various stages with details which can be traced back, e.g. receiving date, lot numbers, item description/model #, production lot #, date of process, quantity, status and etc.
3.6.3	**Can factory identify, trace, and locate 100% of finished product lots/batches from raw material (based on random sampling)?**	Full Compliance	By random check, the factory could trace forward all corresponding final product lots/batches out-going records.
3.6.4	**Can factory identify, trace, and locate 100% of raw materials used in customer products (based on random sampling)?**	Full Compliance	All sampled finished product records are identified, locate, and traceable.

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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	The system was tested annually to ensure traceability can be determined from raw material source to finished product and vice-versa.
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	The factory has an incident management procedure that identifies type of events that would impact to product safety, legality, or quality. Customers were informed of any incident in a timely manner.
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?**	Deviation	Factory had informing procedure to notice customers whenever incidents relating to products happened, but It did not define a specific time frame (e.g within 24h) for the notification to customer.
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	The factory has a product recall procedure to effectively manage product recalls.
3.7.4	**Does factory conduct mock recall test to check effectiveness of Product Recall procedure at least once a year?**	Full Compliance	Factory conducted mock recall test at least once a year as the requirement.
3.8	**Complaint Handling**		
3.8.1	**Does factory have a system for the management of complaints?**	Full Compliance	The factory had complaint management procedure for all types of complaint for both external and internal sides.
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?**	Deviation	Factory use Fish-bone chart to investigate the root cause, however per document check, it was note that some complaint handling record did not mentioned about root cause.
3.9	**Corrective and Preventive Action**		

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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	Factory has documented corrective action procedure to be followed when investigating the cause of significant non-conformity.
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?**	Deviation	Factory use Fish-bone chart to investigate the root cause, however per document check, it was note that some complaint handling record did not mentioned about root cause.
3.10	**Document Control**		
3.10.1	**Does factory maintain proper documentation for control of formulas, specifications, BOM, procedures and work instructions?**	Full Compliance	Document control procedure was established and implemented. It covers all formulas, specifications, BOM, procedures and work instructions used in factory.
3.10.2	**Controlled documents are secured and access restricted?**	Full Compliance	The controlled document was stored in document control center and by relevant personnel's.
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	Documentation retention/disposal procedure was established and implemented as per requirement. The retention is 3 year for document and 2 year for record if do not have specific requirements from customers
3.10.4	**All documents in use are the correct version?**	Full Compliance	The up to date version for all documents was available at point of use per randomly check.
3.10.5	**Any amendments to records are authorized?**	Full Compliance	The records are not allowed to be amended. All correction must be approved by the direct management
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	The internal audit was carried out once a year by competent person

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3.11.2	**All corrective actions and follow-ups related to internal audits are satisfactorily completed?**	Full Compliance	Factory conducted internal audit annually with report retained
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	All building area in good condition
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	The arrangement of machine and equipment is efficient
4.2	**Production flow**		
4.2.1	**Is a process flow diagram available?**	Full Compliance	Detailed process flow diagrams are available for major products that identifies CCP(Critical Control Point).
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	There is sufficient working space and storage capacity.
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	Segregation procedures are set up and implemented.
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	The washrooms, canteens and break areas were positioned not to be reach the production to prevent contamination
4.4.2	**Are workers not allowed to have food, drink, or smoke at their work areas?**	Full Compliance	Factory policy or procedures prevent smoking, eating and drinking in all production and storage areas. There are designated areas for these activities to prevent any product contamination.

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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	Smoking was not allowed in the workshop. The designated area was arranged separately to serve for worker's demand.
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	No specific work wear was required so this clause was N/A
4.4.5	**Are suitable and sufficient hand-cleaning facilities provided at entrance and other appropriate points within production areas?**	Full Compliance	Hand washing stations were located outside the workshop and can be used before entering to the working areas if necessary
4.4.6	**Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?**	Deviation	Per document check, it was noted that factory did not establish personal jewelry prohibit procedure at packing area.
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	Site observation indicated that housekeeping was done well and the workshops were tidy and clean.
4.5.2	**Are cleaning, pest control, and process-aid chemicals suitably identified and controlled to prevent the risk of product contamination?**	Full Compliance	Complete list for chemicals used together with MSDS and control records are available.
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	Cleaning was conducted by internal team so this clause was N/A.
4.5.4	**Do documented cleaning procedures exist for the buildings, utilities, plant, and all equipment?**	Full Compliance	Cleaning procedure and records were provided to prove for actual implementation
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	Written procedures are available and cover all the information.

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4.5.6	**Is cleaning and housekeeping carried out by trained personnel in accordance with documented procedures and records maintained?**	Full Compliance	Per document check it was noted that the cleaning and housekeeping was properly trained in accordance with document procedure.
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	The factory used external service for pest spraying and had mouse traps located inside the workshops.
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	Factory have a clearly defined contract with external contractors which reflect the activities of the site.
4.6.3	**Are inspection record for pest control maintained and complete?**	Full Compliance	Inspection records are complete.
4.6.4	**Are bait stations robustly constructed, operational, and effective in eliminating the target pests?**	Full Compliance	Quantity and placement of bait stations is in accordance with nature of sites and all of them are functional.
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	There is no insecticidal light at fabric warehouse.
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.?**	Deviation	There is insufficient light at inspection area at Cutting area:353 lux
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	Per observation noted that the ventilation adequate at all areas.
4.8	**Contamination**		

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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?**	Full Compliance	All facilities used for the storage and transportation are maintained in good condition.
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	Where deemed necessary by the documented risk assessment, the factory has systems in place to detect foreign-body contamination including contamination introduced during packaging.
4.8.3	**Are tools and other sharp objects used in production controlled?**	Non Conformity	Per observation found 01 hangtag gun missing identified label.
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	Factory has metal detection procedure and implement well with record retained.
4.8.5	**Where applicable are all needles under control without any spare needles unsecured?**	Full Compliance	Needle replacement procedure in place. Issuing and replacement records for any needle are available.
4.8.5.1	**If a needle is broken, is there a process for the replacement?**	Full Compliance	Operators go to the controller to replace broken needle by a one new, records are complete and available.
4.8.5.2	**Is there is process to handle and account for all parts of a broken needle?**	Full Compliance	All broken parts are collected and returned back to the controller.
4.8.5.3	**Does the factory retain all needle control records for a minimum of one year?**	Full Compliance	The control record was retained 2 years.
4.8.5.4	**Is appropriate action taken when a needle is missing or fragments cannot be found?**	Full Compliance	All products are 100% detected for metal

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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?**	Deviation	Per observation found 01 wooden table were damage that could post a risk of contamination to product
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	Factory have a documented procedure to identify, select, categorize, handle, store, approve and use the reference samples.
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	The factory keeps samples for small products and for oversized products they keeps the approval technical files.
5.1.3	**Are the samples retained with defined retention period, and securely stored in suitable environmental conditions to maintain their original status?**	Non Conformity	It was noted that the sample retention period was not defined.
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	A list of Approved Chemicals with Corresponding Brands / Manufacturers' area maintained for the chemicals used as an ingredient or in contact with the products. The list is in excel file.
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	Chemical control procedure is established and well implemented
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	There was no dangerous or high concern substances used to produce the products so this clause was not applicable.

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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	The final products were sent outside for testing including the content of the paint to make sure all product safety criteria are complied.
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	Test reports were provided to prove for the conformity
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	Chemical was put in secondary containers to prevent chemical spill off
5.2.7	**Are procedures, MSDS, description or diagram for the handling of chemicals available at the point of use?**	Full Compliance	MSDS / handling instructions are available at the point of storage / usage.
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	Chemical was classified and arranged per considering their reaction with each other.
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	FIFO was applied to prevent the expiration of the chemical
5.2.10	**Are the production equipment and devices inspected and cleaned regularly between batches to avoid cross contamination?**	Full Compliance	Production equipment and devices are inspected and cleaned between batches.
5.3	**Product Packaging Materials**		
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	The packaging testing was conducted to assess the ability to protecting the product from damage

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
5.3.1.2	**Maintaining the integrity of the product;**	Full Compliance	The packaging testing was conducted to assess the maintaining the integrity of the product
5.3.1.3	**Protecting the consumer from injury; and**	Full Compliance	The packaging testing was conducted to assess the Protecting the consumer from injury
5.3.1.4	**Preventing contamination**	Full Compliance	The packaging testing was conducted to assess to ensure preventing contamination
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	The packaging was sent to external lab for testing to ensure the conformity
5.3.3	**Are packaging materials effectively protected before being returned to storage?**	Full Compliance	No sign of damages of packaging materials.
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 or metal closures was not used for packaging, so this clause was not applicable.
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	A document procedure is in place to formalize the control of NC materials (including chemicals), semi-finished products and final products.
5.4.2	**Are the procedures understood by the authorized personnel and implemented effectively?**	Full Compliance	No sign of mis-handling of the non-conforming materials and products throughout the production processes.
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?**	Deviation	During site observation, it was noted that 01 QC at sewing line did not fully record the defects found out during the inspection process
5.4.4	**Are the records kept for the nonconformities and subsequent actions taken?**	Full Compliance	The NC products were properly segregated and identified with label
5.5	**Product Transport, Storage and Distribution**		
5.5.1	**Is transportation in good repair and in a clean/hygienic condition?**	Full Compliance	transportation is observed in proper conditions.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
5.5.2	**Are vehicles loaded and unloaded in covered areas/bays to prevent the risk of contamination and damage?**	Full Compliance	It was noted that the loaded/unloaded under roofed areas.
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	The specific environment was defined to control the humidity and temperature. Records were provided.
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	The stock control procedure was established that includes the release by authorized personnel, all inspections and testing shall be successfully completed and documented to verify legislative and other defined requirements are met.
5.6.2	**Are the procedures for products dispatch include the following?**		
5.6.2.1	**a) release by authorized personnel**	Full Compliance	The personnel who had the authority for product release was defined in SOP
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	All inspections are completed and recorded to verify legislative and other defined requirements are met.
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	No subcontractor was used
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	The materials/products are used in correct order to ensure their usage life. Mostly based on FIFO practices.
6	**Product Testing and Product Claims**		
6.1	**Product Testing**		
6.1.1	**Does factory establish procedures to undertake or subcontract analyses / testing according to product type and intended retail market?**	Full Compliance	Testing procedure and record are available.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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	Testing plan was established and implement well with record retained.
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	Final products were sent to external lab for testing. Internal test is served for internal quality control purpose only.
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	Final products were sent to accredited external lab for testing
7	**Process Control**		
7.1	**Control of operations**		
7.1.1	**Are preproduction meetings undertaken prior to new or substantially changed products being produced, to evaluate and approve the processes?**	Full Compliance	Factory conducted pre-production meeting for all new type of product with all key staff with record retained.
7.1.2	**In the event of deviation of the process from specification, is corrective action taken and recorded?**	Full Compliance	The corrective action was taken for deviation of the process from specification with record retained.
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	The factory has procedures to specify, validate, and approve incoming materials, which shall include any testing, inspection, or review of certificates of analysis.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.2.2	**Is there evidence of the inspection status of incoming components and raw materials?**	Full Compliance	Per observation noted that the inspection status of incoming material were clear identified by label and designated storage area
7.2.3	**Do the incoming goods procedures cover subcontracted work and work performed outside of the primary site?**	Not Applicable	No subcontractor was used
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?**	Full Compliance	All equipment are calibrated with clearly identification.
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	Calibration records are maintained.
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	Factory has equipment control procedures which include actions to be taken if equipment is found not to be operating within specified tolerances and limits
7.4	**Equipment and tooling maintenance**		
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	Equipment's were specified for the intended purpose and properly maintained
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	Factory has maintenance plan for all equipment's
7.4.3	**Are preventative maintenance schedules or cycles documented and on schedule?**	Full Compliance	Schedule are documented as planned.
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	Factory has equipment maintenance procedure and implement well. The workshop is in good condition to minimize risk of contamination.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.4.5	**Do machines, equipment, fixtures, tools and measurement equipment appear to be clean in good condition and well maintained?**	Full Compliance	Per observation noted that machines, equipment, fixtures, tools and measurement equipment were in good condition and well maintained
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	Factory has procedure to control the packing of finish product to ensure the customer requirement
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	The information shown on package labels including bar codes and outer cartons were checked to ensure correct and meet the customer specification, regulatory and safety requirements of the region of intended sale.
7.6	**Random Inspections**		
7.6.1	**Are in-line inspections carried out during assembly of the product**	Full Compliance	Per observation noted that Inline QC inspected during assembly of the product
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	Factory has procedures for randomly sample and inspect work-in-process according to requirements.
7.6.3	**Products shall be inspected for appearance, size, color and workmanship prior to packing as per customer or internal requirements.**	Full Compliance	The products were inspected for appearance, size, color and workmanship prior to packing as requirements.
7.6.4	**Product standards and guidelines shall be available and used by inspectors.**	Full Compliance	Per observation noted that the product standards and guidelines were available and used by inspectors.
7.7	**Industry Module**		
7.7.1	**Incoming Material Inspection**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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	Factory conduct inspection on shade matching for each dye lot under approved light source by a qualified inspector.
7.7.1.2	**Fabrics shall be inspected according to 4-point, 10-point, or specified system before cutting.**	Full Compliance	The factory has defined the fabric inspection system 4-point and the acceptance criteria. Fabric inspections conducted are recorded properly
7.7.1.3	**Procedures shall be in place to check shade matching and color to trim on each dye lot.**	Full Compliance	Factory conduct shade matching and color to trim on each different dye lot. All relevant records are kept.
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	Trims and accessories were tested and visually inspected against standards and approved samples before use in production
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	Factory did not produce soft toys so this clause was not applicable.
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	The factory conduct patterns and size set samples review against approved specifications, construction requirements and design details.
7.7.2.2	**Are initial samples made in the factory?**	Full Compliance	Initial samples were made in the factory.
7.7.2.3	**Are production samples made in the factory?**	Full Compliance	Production samples were made in the factory
7.7.2.4	**Are samples checked systematically?**	Full Compliance	Sample were check by technical team with record retained.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.2.5	**Are bulk fabrics / yarns checked for shrinkage?**	Full Compliance	Factory conducted shrinkage checked for all bulk fabric/ yarns.
7.7.2.6	**Are equipment facilities adequate in the sample room?**	Full Compliance	Equipment facilities available in the sample room
7.7.2.7	**Is a dummy fitting form available in the sample room?**	Full Compliance	Fitting form are available for all types of product.
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	Factory did not produce soft toys so this clause was not applicable.
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	Paper pattern and markers were checked and approved prior to cutting.
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	Factory has procedure for control of the spreading process. Relaxation time and the spread height was appropriate for the material being spread.
7.7.3.3	**Fabrics/yarns shall be cut according to dye/shade lot.**	Full Compliance	Fabrics were cut according to dye/shade lot.
7.7.3.4	**White/light colors shall be cut separately from darker shade fabrics/yarn.**	Full Compliance	White/light colors were cut separately from darker shade fabrics.
7.7.3.5	**When necessary, is each cut piece individually ticketed with data to give total traceability?**	Full Compliance	Each cut piece was properly labelled for traceability purpose.
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	Cut panels were checked against marker using top, middle and bottom panels with record retained.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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	Work Instruction was available for cut panel replacement from the same dye lot or shade.
7.7.3.8	**Fusing quality shall be monitored through periodic testing of temperature and bond strength with records maintained.**	Full Compliance	Fusing quality was monitored through periodic testing of temperature and bond strength with records maintained.
7.7.4	**Sewing, Knitting, and Linking**		
7.7.4.1	**Sewing lines shall be organized in accordance with process flow, with work instruction.**	Full Compliance	Sewing lines were running with no bottle necks operations, no workers idle, and over-all sewing lines demonstrated smooth production flow from beginning to end.
7.7.4.2	**Random measurement inspection at end of the sewing line shall be carried out.**	Full Compliance	Random measurement inspection at end of the sewing line were carried out by QC
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	No knitting process in facility therefore this clause was not applicable.
7.7.4.4	**When necessary, are shade lots separated by a color continuity system?**	Full Compliance	The shade lots were separated by a color continuity system.
7.7.4.5	**Are approved samples displayed in the sewing room?**	Full Compliance	Approved samples displayed at each line for worker and QC reference.
7.7.4.8	**Does the factory have a system to manage the labels and hangtags?**	Full Compliance	Factory have a system to manage the labels and hangtags. Label and hangtags were stored securely and have control record.
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 process in facility so this clause was not applicable.
7.7.5.2	**Each batch shall be inspected for critical measurement prior to and after washing.**	Not Applicable	There was no wet process in facility so this clause was not applicable.
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 process in facility so this clause was not applicable.
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 process in facility so this clause was not applicable.
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 process in facility so this clause was not applicable.
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 process in facility so this clause was not applicable.
7.7.5.7	**Are hand feel and appearance samples available in this section?**	Not Applicable	There was no wet process in facility so this clause was not applicable.
7.7.5.8	**Is a light inspection carried out before washing?**	Not Applicable	There was no wet process in facility so this clause was not applicable.
7.7.5.9	**Is a light inspection carried out after washing?**	Not Applicable	There was no wet process in facility so this clause was not applicable
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.**	Full Compliance	Embroidery machines set-up Instruction Sheet are available for the products being processed and posted for each embroidery machines used.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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	No subcontractor was used
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	Critical machines, thread and needle are controlled and settings are based on style and fabric type being produced.
7.7.6.4	**Seconds and overruns products shall be handled as per customer requirements.**	Full Compliance	Written procedures on the disposition of seconds and overruns products per customer requirements are available. Disposition records by customer are kept which complied to customer requirements.
7.7.6.5	**Testing for attachment security shall be carried out according to customer requirements or internal standards as appropriate.**	Full Compliance	Written procedures for testing the attachments components according to customer requirements are available and applied at the workplace. Responsible person doing the pull test are trained and maintained reports.
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	No filling product, so this clause was N/A
7.7.6.7	**Filled products being exported to US should have a Law label sewn on to the product.**	Not Applicable	No filling product, so this clause was N/A
7.7.6.8	**Opening and mixing of filling components in Blended filling materials.**	Not Applicable	No blended filling material used, so this clause was N/A
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	No filling product, so this clause was N/A
7.7.6.10	**Procedures or W/I for controlling weight of stuffing is per product specification or customer requirement.**	Not Applicable	No filling process was in place so this clause was N/A

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	Factory did not produce soft toys product therefore this clause was not applicable.
7.7.8	**Finishing and Pressing**		
7.7.8.1	**Trimming shall be conducted according to customer requirements or internal standards.**	Full Compliance	Randomly selected & inspected trimmed pieces at the trimming workplace, it was noted that workers are doing it in compliance with customer requirements and internal standards.
7.7.8.2	**Pressing shall be carried out according to customer requirements or internal standards as appropriate.**	Full Compliance	Work instructions for pressing according to customer requirements or internal standards are available and being used at the workplace. Workers are being informed or aware of every customer pressing requirements.
7.7.8.3	**Controls shall be in place to ensure proper cleaning equipment and cleaning agents are applied to different stain types.**	Deviation	Work Instructions for the use of different cleaning agent were available but not used at workplace for reference.
7.7.8.4	**Products shall be separated into shades prior to packing per customer requirements or internal standards whichever is applicable.**	Full Compliance	Work instructions for separating product shades prior to packing are available and used at the workplace.
7.7.8.5	**Is a conveyor-belt-type metal detector used?**	Full Compliance	Factory has 2 conveyor belt metal detector in good condition.
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	Factory conducted "checking tests" using the nine-point system for every 2hours
7.7.8.7	**Does the factory conduct 100% metal detection?**	Full Compliance	Factory conduct 100% metal detection for all product.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.8.8	**Does the factory have a "metal-free" area?**	Full Compliance	Factory have a "metal free" area
8	**Personnel Training and Competency**		
8.1	**Does the factory establish training procedures?**	Full Compliance	Training procedure reflects the competencies required of each employee to carry out his/her task.
8.2	**Does the factory determine necessary competence for personnel performing work impacting product safety, legality and quality?**	Full Compliance	The competency for the personnel performing work impacting product safety, legality and quality was defined clearly in the SOP
8.3	**Does the factory regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality?**	Full Compliance	Training needs were collected through survey and based on actual demand
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	It was noted that all employees should be trained in the standards and procedures that relate directly to their specific responsibilities, as well as those policies that affect product safety
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	It was noted that Relevant personnel were formally trained on Risk Assessment to ensure understanding of risk assessment procedures or outcomes as necessary for their activities.
8.6	**Are the effectiveness of trainings evaluated?**	Full Compliance	The effectiveness of trainings were evaluated by exam or practice with record retained.
8.7	**Are up-to-date training records stored in a secure way such that privacy of personnel is protected?**	Full Compliance	Training records are stored and provided properly

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
8.8	**Are the personnel performing work that affects product safety, legality and quality demonstrably competent to carry out their activity?**	Full Compliance	Per random interview, It was noted that QC and workers know their duty well.

Corrective Action Plan (CAP) Report

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Factory Name:	Branch of Binh Thuan - Nha Be Garment JSC - Tuy Phong Garment Factory	Factory Representative Name and Signature:	Auditor Signature:
Address:	Industrial Zone of North of Tuy Phong, Lac Tri Village, Phu Lac Commune, Tuy Phong District, Binh Thuan Province, Vietnam		
Report number:	FA23-00206	Auditor Name:	Thien Nguyen
Audit Type:	Annual Audit	CAP Desktop Review done by:	Factory Comments (if any):
Audit Date:	Feb. 15-16, 2023	Evidence Reviewed by:	

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working days from Audit Date			To be Completed by 3rd Party - within 2 working days from the receipt of CAPA from Factory		CAP Evidence Collection - To be Completed within 30 calendar days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Levels of Non-Conformance	Audit Findings	Corrective Action Plan	Responsible Persons	Due Date	Agreement with factory or Comments for Revision	Objective Evidences Required	Objective Evidences	CAPA Validation Results	Remarks
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?	MODERATE	Factory had informing procedure to notice customers whenever incidents relating to products happened, but It did not define a specific time frame (e.g within 24h) for the notification to customer.								
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?	MINOR	Factory use Fish-bone chart to investigate the root cause, however per document check, it was note that some complaint handling record did not mentioned about root cause.								
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?	MINOR	Factory use Fish-bone chart to investigate the root cause, however per document check, it was note that some complaint handling record did not mentioned about root cause.								
4.4.6	Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?	MINOR	Per document check, it was noted that factory did not establish personal jewelry prohibit procedure at packing area.								
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?	MINOR	There is no insecticidal light at fabric warehouse.								
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.?	MINOR	There is insufficient light at inspection area at Cutting area:353 lux								
4.8.3	Are tools and other sharp objects used in production controlled?	MODERATE	Per observation found 01 hangtag gun missing identified label.								
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?	MINOR	Per observation found 01 wooden table were damage that could post a risk of contamination to product								
5.1.3	Are the samples retained with defined retention period, and securely stored in suitable environmental conditions to maintain their original status?	MODERATE	It was noted that the sample retention period was not defined.								

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working days from Audit Date			To be Completed by 3rd Party - within 2 working days from the receipt of CAPA from Factory		CAP Evidence Collection - To be Completed within 30 calendar days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Levels of Non-Conformance	Audit Findings	Corrective Action Plan	Responsible Persons	Due Date	Agreement with factory or Comments for Revision	Objective Evidences Required	Objective Evidences	CAPA Validation Results	Remarks
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?	MINOR	During site observation, it was noted that 01 QC at sewing line did not fully record the defects found out during the inspection process								
7.7.8.3	Controls shall be in place to ensure proper cleaning equipment and cleaning agents are applied to different stain types.	MODERATE	Work Instructions for the use of different cleaning agent were available but not used at workplace for reference.								

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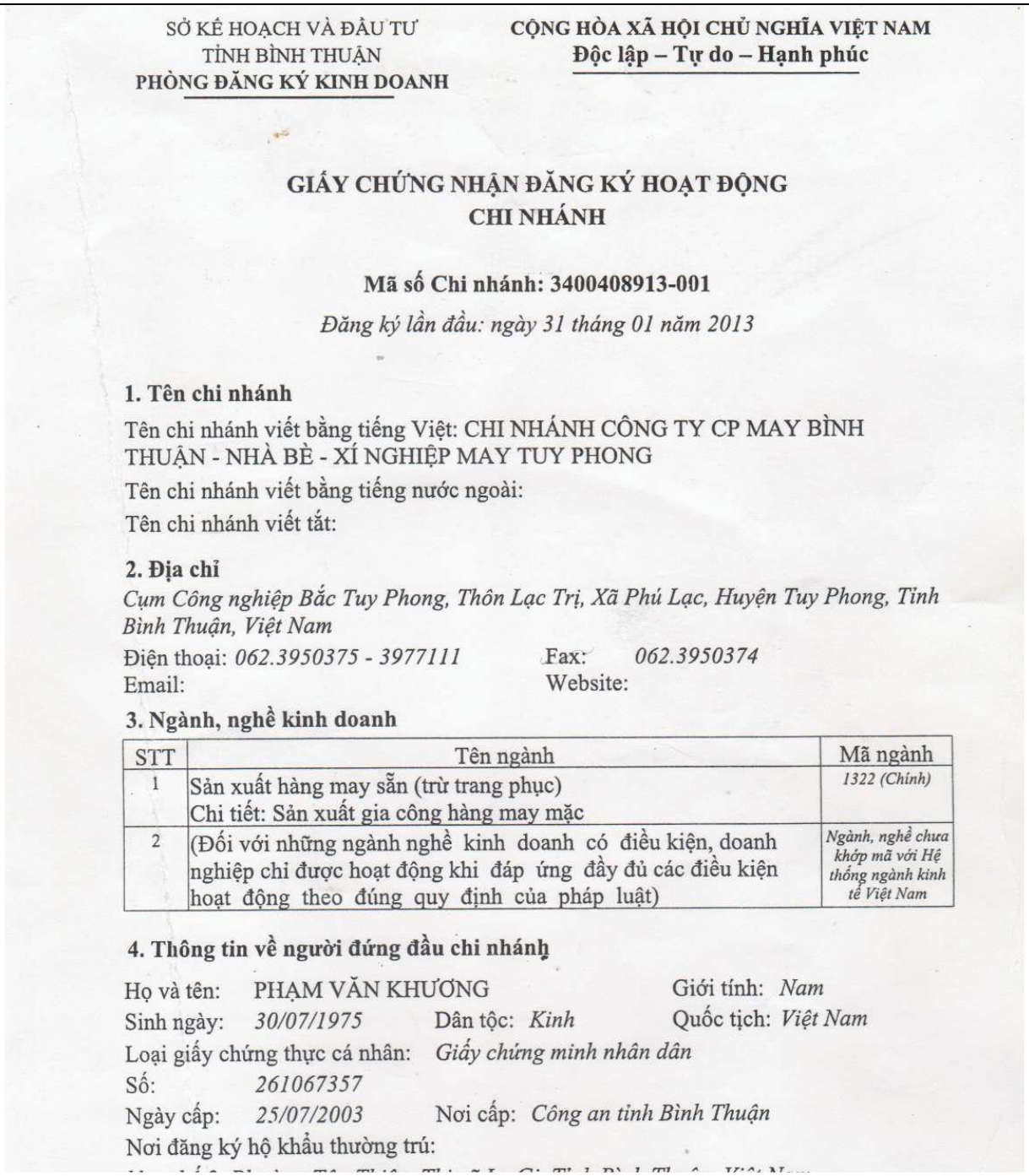

SỞ KẾ HOẠCH VÀ ĐẦU TƯ
TỈNH BÌNH THUẬN
PHÒNG ĐĂNG KÝ KINH DOANH

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

GIẤY CHỨNG NHẬN ĐĂNG KÝ HOẠT ĐỘNG CHI NHÁNH

Mã số Chi nhánh: 3400408913-001

Đăng ký lần đầu: ngày 31 tháng 01 năm 2013

1. Tên chi nhánh

Tên chi nhánh viết bằng tiếng Việt: CHI NHÁNH CÔNG TY CP MAY BÌNH THUẬN - NHÀ BÈ - XÍ NGHIỆP MAY TUY PHONG

Tên chi nhánh viết bằng tiếng nước ngoài:

Tên chi nhánh viết tắt:

2. Địa chỉ

Cụm Công nghiệp Bắc Tuy Phong, Thôn Lạc Trị, Xã Phú Lạc, Huyện Tuy Phong, Tỉnh Bình Thuận, Việt Nam

Điện thoại: *062.3950375 - 3977111* Fax: *062.3950374*
Email: Website:

3. Ngành, nghề kinh doanh

STT	Tên ngành	Mã ngành
1	Sản xuất hàng may sẵn (trừ trang phục) Chi tiết: Sản xuất gia công hàng may mặc	*1322 (Chính)*
2	(Đối với những ngành nghề kinh doanh có điều kiện, doanh nghiệp chỉ được hoạt động khi đáp ứng đầy đủ các điều kiện hoạt động theo đúng quy định của pháp luật)	*Ngành, nghề chưa khớp mã với Hệ thống ngành kinh tế Việt Nam*

4. Thông tin về người đứng đầu chi nhánh

Họ và tên: PHẠM VĂN KHƯƠNG Giới tính: *Nam*
Sinh ngày: *30/07/1975* Dân tộc: *Kinh* Quốc tịch: *Việt Nam*
Loại giấy chứng thực cá nhân: *Giấy chứng minh nhân dân*
Số: *261067357*
Ngày cấp: *25/07/2003* Nơi cấp: *Công an tỉnh Bình Thuận*
Nơi đăng ký hộ khẩu thường trú:

Factory business license

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<table>
<tr><td>  </td><td> 
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<tr><td>Photo 1) Factory main gate</td><td>Photo 2) Factory name board</td><td>Photo 3) Factory overview</td></tr>
<tr><td> 
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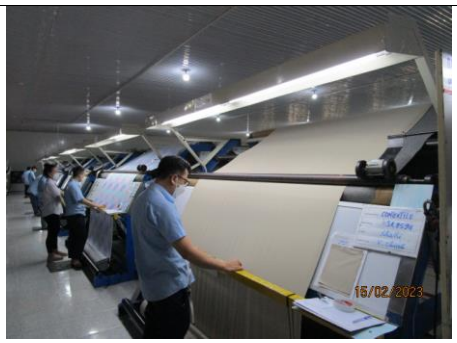
</td></tr>
<tr><td>Photo 4) Organization chart</td><td>Photo 5) CAD room</td><td>Photo 6) Fabric warehouse</td></tr>
<tr><td> 
</td><td> 
</td><td> 
</td></tr>
<tr><td>Photo 7) Sufficient light at fabric warehouse: 165 lux</td><td>Photo 8) Fabric inspection area</td><td>Photo 9) Sufficient light at fabric inspection area: 906 lux</td></tr>
</table>

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<table>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 10) Accessories material warehouse</td><td>Photo 11) Trim card</td><td>Photo 12) Cutting area</td></tr>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 13) QC checked</td><td>Photo 14) Fusing machine area</td><td>Photo 15) Fusing report</td></tr>
<tr><td>  </td><td>  </td><td>  </td></tr>
<tr><td>Photo 16) Embroidery area</td><td>Photo 17) Sufficient light at embroidery area: 587 lux</td><td>Photo 18) Printing area</td></tr>
</table>

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Photo 19) Sewing area

Photo 20) Sufficient light at fusing area: 561 lux

Photo 21) Sharp tool was tied on workbench

Photo 22) Ironing area

Photo 23) QC checked

Photo 24) Sufficient light at QC checked area: 1584 lux

Photo 25) Approval sample

Photo 26) SOP at workplace

Photo 27) Non-conforming product area

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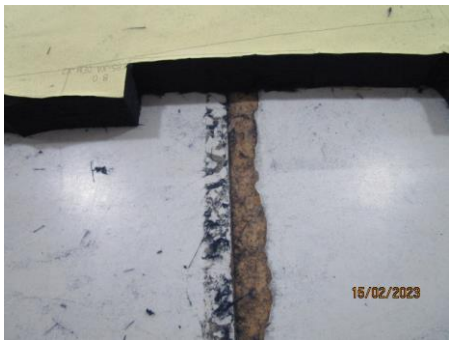
Photo 28) Metal detection area	**Photo 29) Folding and packing area**	**Photo 30) Sufficient light at packing area: 919 lux**
		
Photo 31) Finish good warehouse	**Photo 32) Sufficient light at finish good warehouse: 168 lux**	**Photo 33) Loading area**

Non-conforming photos with clause number

		
Photo 1) NC 4.7.1: There is insufficient light at inspection area at Cutting area:353 lux	**Photo 2) NC 4.8.3: Per observation found 01 hangtag gun missing identified label.**	**Photo 3) NC 4.8.6: Per observation found 01 wooden table were damage that could post a risk of contamination to product**