



Security and Social Compliance Audit

BCF C-TPAT & Social Compliance Audit conducted by
 Asia Inspection
 Please complete and
 Return to: ctpat@burlingtonstores.com

GENERAL INFORMATION					
Factory Name(s):	XING LE LEATHER GOODS CO.,LTD		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center; padding: 2px;">Type of Business</th> </tr> <tr> <td style="text-align: center; padding: 2px;">Leather Bag Manufacturing</td> </tr> </table>	Type of Business	Leather Bag Manufacturing
Type of Business					
Leather Bag Manufacturing					
Factory Address(s):	Plot No. (346) Myaytaing Block No. (49) War ta yar Industrain zone Shwepyithar township There were two buildings in the factory, one building was used for production and another one building for Chinese technician’s dormitory and dining room. GPS location: 16.992 N, 96.054 E.				
Years in Business:	21-Jan-2019	Total Employees:	397		
Contact Person:	Ms.Aye Thidar Aung	Telephone:	+95 9421119934		
E-mail:	ata21022012@gmail.co	Fax:	NA		
Insert a check mark in the appropriate column			YES		
A. ACCESS CONTROLS					
1. Is there a visitor pass system in place?		YES			
2. Are visitor logs kept?		YES			
3. Are visitor’s bags subject to search prior to entry and/or exit?			NO		
4. Are visitors required to provide identification prior to entering the facility?		YES			
5. Are there procedures for removing unauthorized or terminated persons from the facility? If yes, please explain those procedures here.		YES			
HR department give the list of current employees and terminated person to security office. The security guard was responsible to screen authorized and unauthorized person. The terminated person was kept updating by HR department and communicated to security timely.					
6. Is the employee parking lot separate from the facility?		YES			
7. Does the security staff monitor visitors while on the premises?		YES			



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B. PHYSICAL SECURITY OF CARGO HANDLING AND CARGO STORAGE AREAS		
1. Does the facility have cameras monitoring personnel and loading of the containers? If yes, please attach pictures below.	YES	
2. Is there an active alarm and surveillance system in place?	YES	
3. Is cargo stored outside the aforementioned facility?		N/A
4. If so, is there a fence protecting the exterior perimeter of the storage area? If yes, please attach pictures below.	N/A	
5. Are the gates, doors and windows secured with locking devices?	YES	
6. Are there locking devices securing fence line gates?		NO
7. Are restricted areas clearly marked and monitored?	YES	
8. Is there adequate lumen lighting levels in parking lots and cargo handling/storage areas?	YES	
9. Are the drivers and visitors waiting areas to cargo handling/storage area secured?	YES	
10. Are dangerous or hazardous raw materials segregated in storage by a secure, guarded, or fenced-in area?	YES	
11. Is international and domestic cargo segregated by a secure, guarded, or fenced-in area?	YES	
12. Is the area where packaged ready to go cargo held separated from unfinished cargo and monitored/secured? If yes, please attach pictures below.	YES	
13. Are there any measures in place to prevent the tampering of sealed cartons? If yes; please explain those measures here. Factory had installed surveillance camera in warehouse, finished products warehouse was restricted area, only authorized person can come into finished warehouse. Supervisors checked the sealed cartons.	YES	



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C. CONTAINER AND TRUCK SECURITY		
1. Is security or other responsible party inspecting (7-point check) the container or truck prior to loading?	YES	
2. If so do you keep copies of the 7-point check list with date, time and container number listed?	YES	
3. Are empty and loaded containers and/or trucks stored in secure and restricted areas?	YES	
4. If irregularities are detected during a container or vehicle audit, is a review with facility management conducted prior to release of freight?	YES	
5. Does the facility use ISO17712 compliant high security seals to secure cargo in containers?	YES	
6. Are drivers required to track trip details and explain any delays?	YES	
7. Does the facility have written procedures to ensure that goods are received at the next stage securely and in a timely manner?		NO
8. Are there any written procedures for investigating events when cargo arrives damaged or missing at the next stage in the supply chain?		NO
D. EMPLOYEE IDENTIFICATION		
1. Are employees required to carry photo identification?	YES	
2. Are personnel without ID badges prevented from entering restricted areas?	YES	
3. Are photo records registered and maintained for shipping and receiving employees?	YES	
E. EMPLOYEE HIRING AND TERMINATION		
1. Are prospective employees required to submit employment applications?	YES	
2. Do prospective employees go through an interview process?	YES	
3. Is the information received from the application and interview process verified in anyway?	YES	
4. Is a background check part of the employee hiring process?	YES	



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5. Are photos of current and terminated employees kept on file?	YES	
6. Are procedures in place to retrieve work badge identification and remove system access for terminated employees? If yes; please explain those procedures here. HR department retrieved work badge identification and removed system access of terminated persons share information to security guards. Security guards followed the process and prohibit the entry of terminated employee.	YES	
F. EMPLOYEE TRAINING PROGRAMS		
1. Do you conduct any security and anti-terrorism training sessions for employees?	YES	
2. Does the program address maintaining cargo integrity, protection of access controls, anti-bribery and recognition of internal conspiracies?	YES	
3. Do you keep logs to record training class dates and attendance?	YES	
4. Are employees working in the packing, warehouse, shipping and receiving areas trained on how to maintain cargo integrity and enforce access control?	YES	
5. Are procedures in place for returning damaged and/or dirty containers? If yes; please explain those procedures here.		NO
6. Are employees working in shipping and receiving areas instructed on how to identify suspicious cargo?	YES	
7. Are employees offered incentives/recognition for reporting suspicious situations where security has been compromised?	YES	
8. Are employees shown emergency and evacuation procedures?	YES	
9. Have you designed a C-TPAT manual which includes company procedures that helps to strengthen supply chain security?	YES	
10. Do you randomly audit security procedures?	YES	



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11. Do you keep records of security breaches and corrective action taken?	YES	
12. Are security procedures reexamined to determine if they need to be updated or improved yearly?	YES	
G. IT SYSTEMS SECURITY		
1. Are there security policies and procedures in place to protect IT systems?	YES	
2. Do you train employees in these security procedures?	YES	
3. Do you have these policies in a written handbook for your employees?	YES	
4. Are employees required to have their own user accounts and required to change their passwords periodically?	YES	
5. Are passwords required to be complex, containing letters, numbers and symbols?	YES	
6. Are company e-mails and internal usage kept confidential?	YES	
7. Are your servers and infrastructure password protected?	YES	
8. Do you maintain IT system backups?	YES	
9. Is anti-virus and firewall protection implemented and maintained on all systems?	YES	
H. ELECTRONIC DATA INTERCHANGE		
1. Are procedures in place to ensure the integrity of all information used in the clearance of cargo and protect it from erroneous information?		N/A
2. Is computer access to the EDI systems safeguarded?		N/A
3. Are periodic audits of data conducted to ensure the safety of EDI systems?		N/A
I. BUSINESS PARTNER SELECTION PROCESS		
1. Do you maintain written and verifiable processes for the selection of business partners?	YES	
2. Are all freight forwarders/consolidators, foreign manufacturers, steamship lines, airlines, Port authorities, truck carriers, Customs Brokers and other supply chain partners considered?	YES	
3. Do you send questionnaires to existing and prospective business partners to determine if they meet the C-TPAT requirements or are C-TPAT certified?		NO
4. Do you ensure that your business partners do not have relationships with any terrorist groups or affiliates?	YES	
5. Do you maintain completed and current records for your business partners?	YES	



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6. Do you ensure the integrity of the partnership you have established?	YES	
7. Does the facility have a written Risk Audit procedure in place for evaluating the relevant business partners involved in shipping to US?		NO
8. Do you conduct site visits to verify business partner's adherence to guidelines, based on a risk assessment?		NO
9. Based on risk, do the designated management personnel verify security measures are in place at the facilities belonging to their business partners who handle cargo?		NO
J. SECURITY GUARDS		
1. Do you have security guards?	YES	
2. If so how many and where are they located?	YES	
<p>SOCIAL COMPLIANCE ADHERENCE</p> <p>The purpose of this review is to assess the degree to which the factory's security procedures adhere to the applicable C-TPAT Security Criteria established by U.S. Customs and Border Protection, as well as the factory's social accountability program which adheres to local labor laws and to the integrity of Burlington's established standards pertaining to child labor, human trafficking and slave labor.</p> <p>This document also communicates the deadlines for remediation of any/all corrective actions identified as non-compliant.</p>		
K. TRANSPERANCY IN SUPPLY CHAIN		
1. Does the facility conduct on-site inspections of the contractor's implementation of their security standards/procedures that includes compliance with human trafficking and anti-slavery policies?	YES	
2. Does the facility have written or electronic confirmation of its partner's compliance with Business Transparency on Human Trafficking and Anti-slavery?	YES	
3. Does the facility have written security standards and documented procedures for selection of its contractors?	YES	
4. Does the facility have written security awareness program covering awareness of current terrorist threat(s), human trafficking, smuggling trends and seizures in place to ensure employees understand how to identify potential threats at each point of the supply chain?	YES	
5. Does the factory implement and maintain records for fair and equal labor standards including prohibiting employment of children under the age of 16 and/or compliance with local labor laws and regulations?	YES	



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CERTIFICATION STATEMENT

I hereby certify that the information contained in this assessment is true and correct to the best of my knowledge. Should significant changes occur in our program, we will provide a notification in writing of these changes. Further, signatory below agrees to corrective action remediation schedule as a result of this audit.

Signature

Date

Title

CERTIFICATION STATUS

C-TPAT Certification Status (check one):

- Accepted, see attached certification
SVI #: _____
- Applied, but certification not received
- Application in-progress
- No plans for C-TPAT
- Other (please specify): _____

Overall Rating:		
Risk Assessment		
C-TPAT Security Risk Level (<i>Low, Medium, High</i>) (Section A-J) Based on percentage of compliance	Low	86.8
SOCIAL COMPLIANCE (PASS/FAIL) (Section K)	PASS	100%
CORRECTIVE ACTIONS (to be completed by) DATE: _30-June-2019.		

Photos of Audit



Auditor



Factory name



Factory Gate



Dormitory building

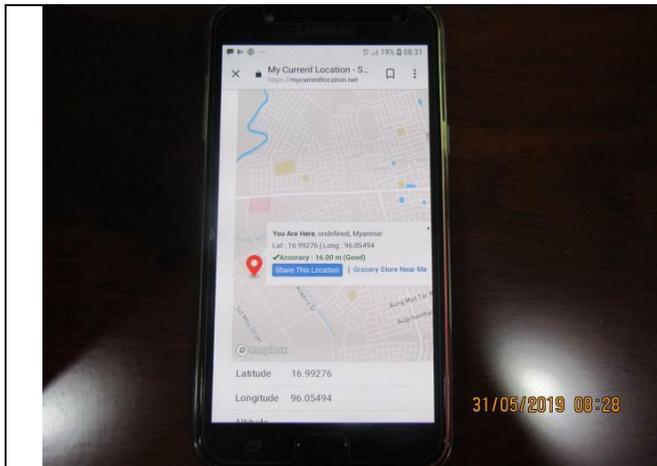


Security Office

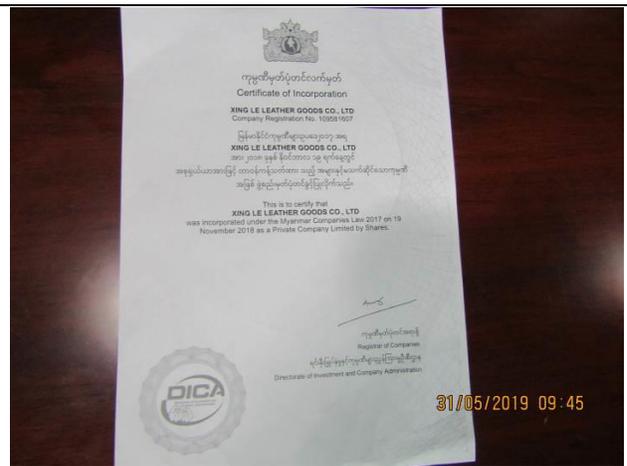


Production building

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Lat:16.99276, Long:96.05494



Business License



Boundary fence



Missing lighting for boundary at back side



Fence blade is not enough cover



Lighting for boundary



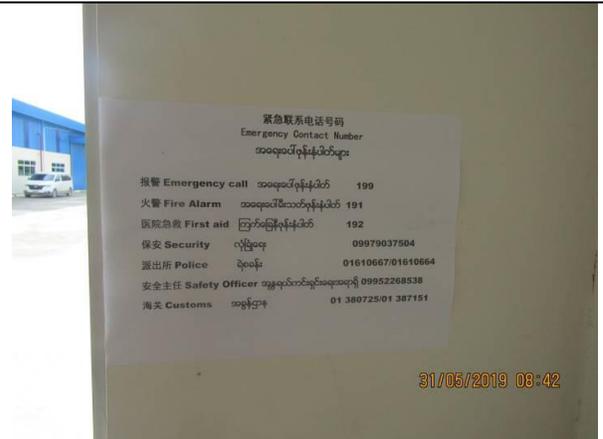
Security Guard



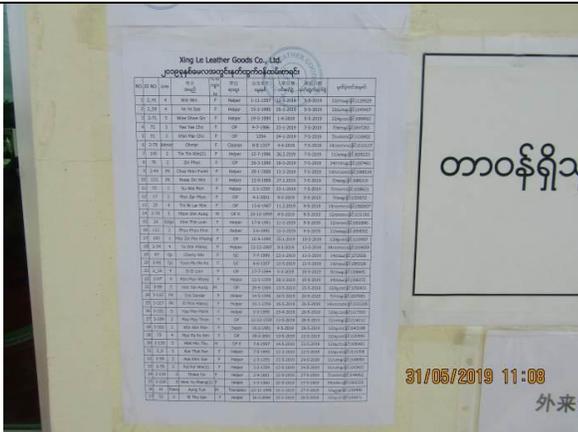
Guard Tools



Visitor Cards



Emergency Phone List



List of current resigned employee in guard room



Loading area



Movable light for loading area



CCTV for loading area



Visitor parking area



Employee parking area



Raw material warehouse



Semi-finished products

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Worker with ID blade



Packing area



Camera in packing area



Authorized persons for packing area



Finished goods warehouse



Office room



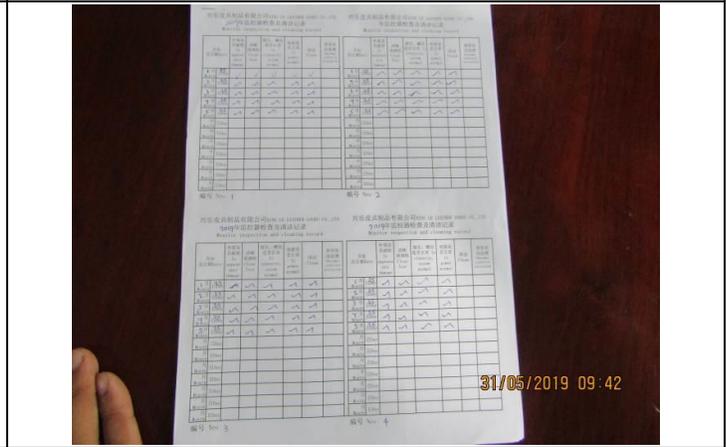
Computer



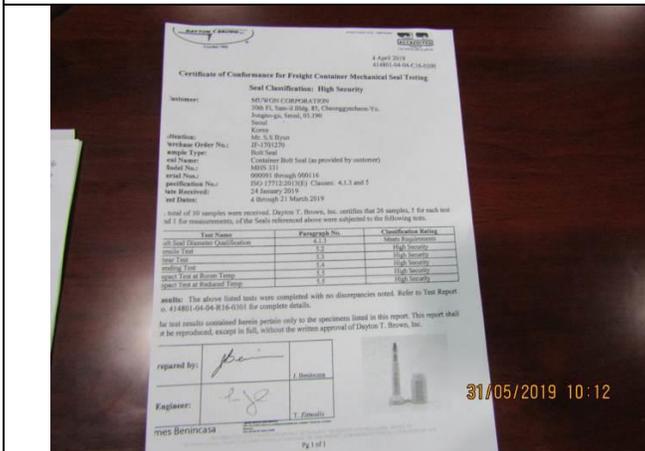
Anti-virus system



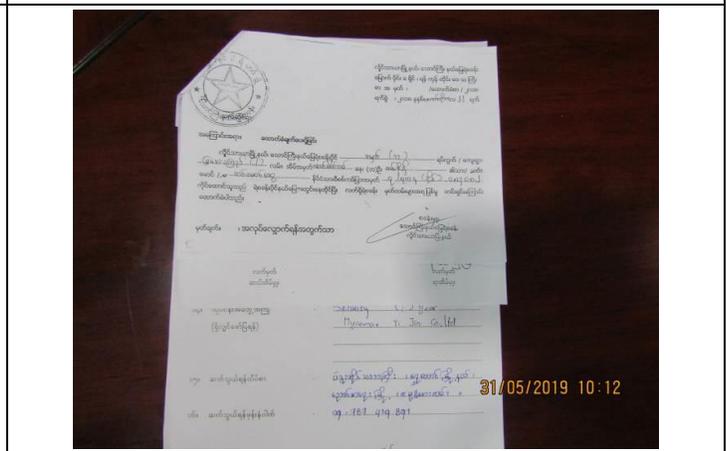
CCTV monitoring system



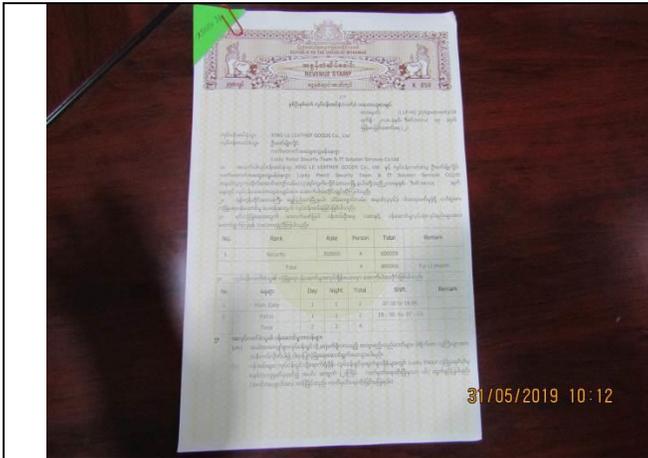
Examination record of CCTV



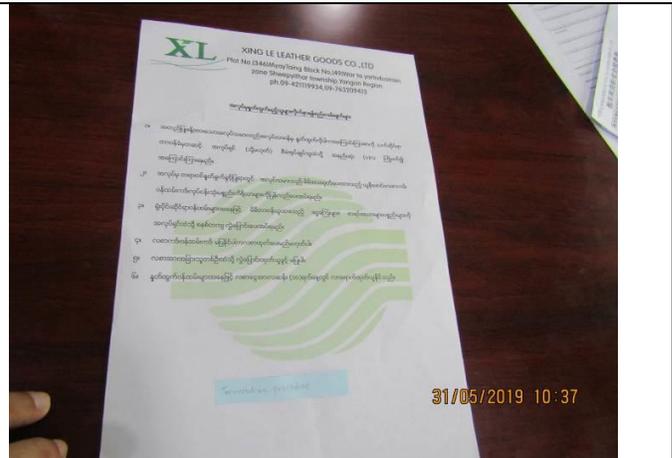
Test Report for seal



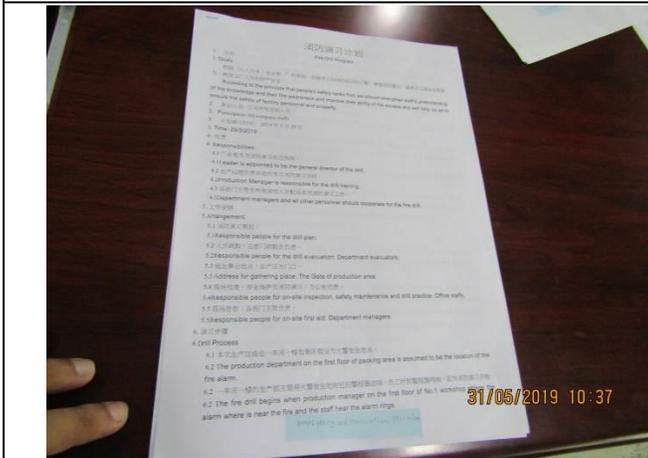
Employee background check



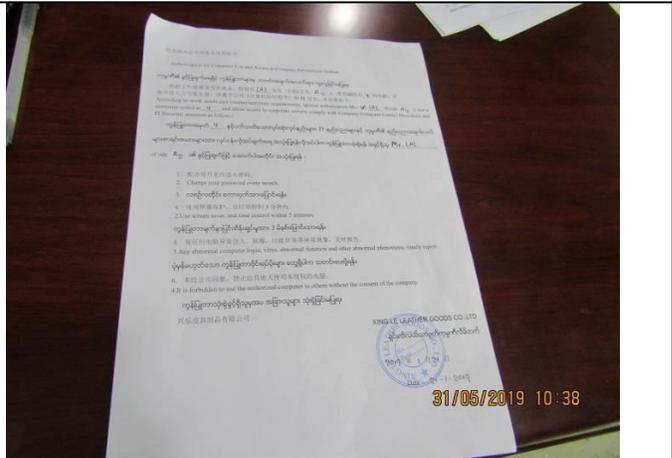
Third party security contract



Termination Policy



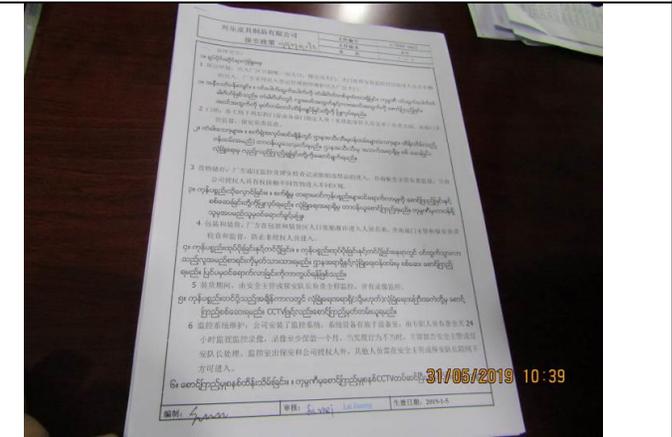
Emergency and evacuation procedure



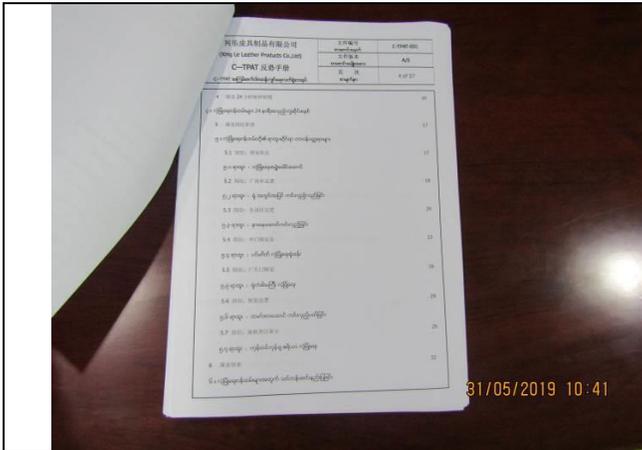
IT Policy



Computer system and data backup recording



Security policy



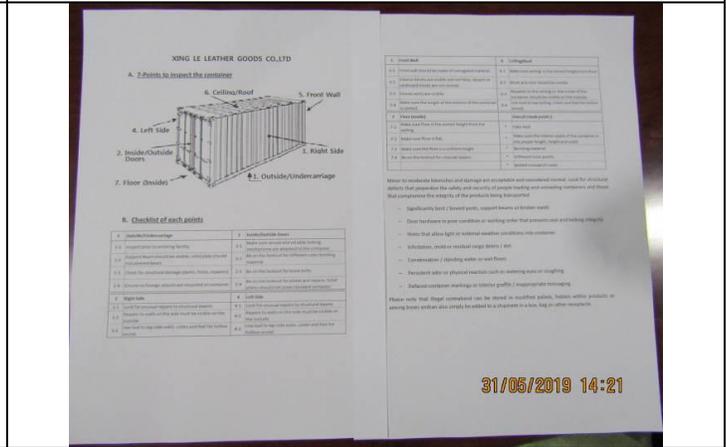
C-TPAT Procedure



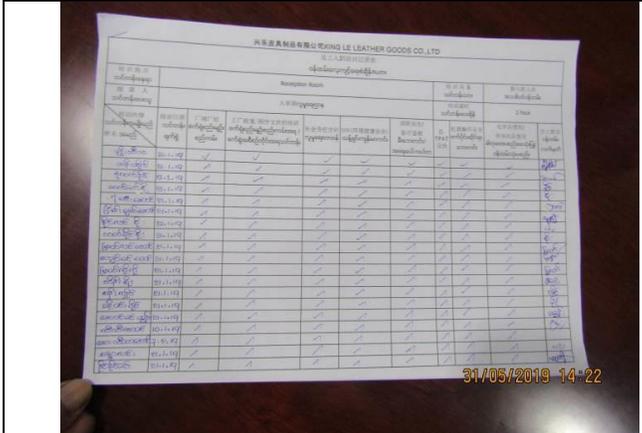
Shipping Agency agreement



Supplier/Contractor Anti-Terrorist Agreement



7-point container inspection



C-TPAT training for all employee



Factory disclaimer

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QIMA
GLOBAL COMPLIANCE, ALL RIGHTS RESERVED

Confirmation of Compliance with QIMA Code of Conduct
To be signed and signed in 3 copies at the end of the audit

DECLARATION VERSION TO SIGN (Audit done on-site, taken at the end of the audit)

Order No.: A-Cloud-1911114 Audit Date: May 16, 2019

Factory Name: XING LI LEATHER GOODS CO., LTD.

Please confirm the following, on behalf of my company, in regard to the compliance of the audit of the audit being conducted:

- The auditor was not offered any gift, money, or bribe by factory *Compliant* (non-compliance description)
- The auditor was not coerced by any employee by factory *Compliant* (non-compliance description)
- The auditor signed all the necessary gift or samples that is not restricted by the customer *Compliant* (non-compliance description)
- The auditor did not ask for any unreasonable favor or service *Compliant* (non-compliance description)
- The auditor did not request compensation to us from factory *Compliant* (non-compliance description)

I hereby declare that the information given above is true and correct.

On behalf of:
Name of Factory Representative: *Sun Jie*
Signature: *Sun Jie* Date: *9/20/2019*
Name of Auditor: *Ms. Tracy Jiang* Audit Date: *5/17/2019*
Signature: *Tracy Jiang*

If your supplier breaches the terms of any of the terms or requirements, we will seek any remedies available to follow up on same as possible.

Complaint Hotline: (E) 01-01-21 China 486-755-2223-6028 / India +91 11 4672 3304
Workshop Hotline: China 486-188-2850-7999 / India +91 11 4672 3304
This document is strictly confidential and used by QIMA through our only - it cannot be used as an authorization for any other QIMA QIMA unless All rights reserved.

31/05/2019 16:46

COC

Burlington
Security and Social Compliance Audit

Signature of this document agrees to implement corrective actions noted below by completion date.

Client	Facility	QMA Service No.	R-Cloud-1911114
Supplier	XING LI LEATHER WORKS LIMITED	Auditor	Ms. Tracy Jiang
Factory	XING LI LEATHER GOODS CO., LTD.	Audit Date	21 st May 2019

No.	Findings / Observations	Corrective action	Target completion date
A.3	Visitor's bag was not subjected to search prior to entry auditor visit.	Visitor's bag should be subjected to search prior to entry auditor visit.	Jun 6, 2019
B.6	Locking devices are not enough securing fence line gate.	Factory should have enough locking devices securing fence line gate.	Jun 6, 2019
C.7	The facility does not written procedures to ensure the goods are handled at the next stage securely and in a timely manner.	The facility should have written procedures to ensure the goods are handled at the next stage securely and in a timely manner.	Jun 26, 2019
C.8	The facility does not written procedures for investigating events when high-critical damaged or missing of the raw stage of the supply chain.	The facility should have written procedures for investigating events when high-critical damaged or missing of the raw stage of the supply chain.	Jun 26, 2019
F.9	The facility does not written procedures in place for returning damaged and/or dirty containers.	The facility should have procedures in place for returning damaged and/or dirty containers.	Jun 16, 2019
H.10	The facility does not written procedures to ensure the factory and prospective business partners to the factory are aware of the requirements of the C-TPAT certified.	The facility should write requirements to factory and prospective business partners to the factory are aware of the requirements of the C-TPAT certified.	Jul 10, 2019

17 The facility does not have a written procedure to ensure the factory and prospective business partners to the factory are aware of the requirements of the C-TPAT certified. *Jun 10, 2019*

18 The facility does not conduct site visits to verify business partner's adherence to guidelines based on a risk assessment. *Jun 10, 2019*

19 The facility does not conduct site visits to verify business partner's adherence to guidelines based on a risk assessment. *Jun 10, 2019*

Note: This is a draft finding report for reference. The report will be issued to client directly.

Factory Stamp & Site Representative Signature: *Sun Jie* Auditor Signature: *Tracy Jiang*
Date: *9/20/2019*

31/05/2019 16:46

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Audit Finding Report

Signatory of this document agrees to implement corrective actions noted below by completion date.

Client	Burlington	QIMA Service No	R-Cloud-1951114
Supplier	XING LE LEATHER WARE LIMITED	Auditor	Ms. Thaw Thaw Win
Factory	XING LE LEATHER GOODS CO.,LTD	Audit Date	31-May-2019
No.	<u>Findings / Violations</u>	<u>Corrective action</u>	<u>Target completion date</u>
A.3	Visitor’s bag was not subjected to search prior to entry and/or exit.	Visitor’s bag should be subjected to search prior to entry and/or exit.	06-Jun-2019
B.6	Looking devices are not enough securing fence line gates.	Factory make sure to installed enough looking devices securing fence line gate.	30-Jun-2019
C.7	The facility had no written procedures to ensure that goods are received at the next stage securely and in a timely manner.	The facility should have written procedures to ensure that goods are received at the next stage securely and in a timely manner.	30-Jun-2019
C.8	The facility has no written procedures for investigating events when cargo arrives damaged or missing at the next stage in the supply chain.	The facility should have written procedures for investigating events when cargo arrives damaged or missing at the next stage in the supply chain.	30-Jun-2019
F.5	The factory was no procedures in place for returning damaged and/or dirty containers.	The factory should have procedures in place for returning damaged and/or dirty containers.	30-Jun-2019
I.3	No evidence to show that the factory sends questionnaires to existing and prospective business partners to determine if they meet the C-TPAT requirements or are C-TPAT certified	The factory should send questionnaires to existing and prospective business partners to determine if they meet the C-TPAT requirements or are C-TPAT certified	30-Jun-2019



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1.7	The facility does not have a written Risk Audit procedure in place for evaluating the relevant business partners involved in shipping to US.	The facility should have a written Risk Audit procedure in place for evaluating the relevant business partners involved in shipping to US.	30-Jun-2019
1.8	The facility does not conduct site visits/investigation to verify business partner's adherence to guidelines, based on a risk assessment.	The facility should conduct site visits to verify business partner's adherence to guidelines, based on a risk assessment.	30-Jun-2019
1.9	Based on risk, the facility does not the designated management personnel verify security measures are in place at the facilities belonging to their business partners who handle cargo.	Should have the designated management personnel verify security measures are in place at the facilities belonging to their business partners who handle cargo.	30-Jun-2019

Note: This is a draft finding report for reference, official report will be issued to client directly.

Factory Stamp & Site Representative Signature:

Auditor Signature:

Date:

Date: