

Remediation Program - Important Message

Effective: 1st September, 2020

ETP-LTF-34 V01 (E)

(Auditors shall provide and circulate this document to representatives of factory management during the opening meeting, and collect the signed original copy before leaving the factory)

This Important Message serves as a brief summary of the main contents of ICTI Ethical Toy Program and its amendments thereof as well as the best effort to ensure that factory management and/or representatives are aware of their respective duties and obligations. The parties concerned should refer to the original materials in relation to the Ethical Toy Program for details. Factory management and/or representatives are always welcome to contact Ethical Toy Program via (+852) 2111-2462, or by email at info@ethicaltoyprogram.org.

Zero Tolerance Violations

Please refer to the Remediation and Termination Policy on our website for details

- a. Denial of full or partial access to factory premises to meet objectives of the audit;
- b. Improper influence occurred in audit (please refer to the Integrity Declaration signed in audit for details). The Declaration states that no factory shall offer any advantages whatsoever, including cash, gifts, entertainment, meals or transportation to or from the factory, to the auditors for any reason, at any time or any place;
- c. Hidden production areas or hidden workers with the factory's intention of providing a false scope of the audit;
- d. Child labor;
- e. Forced labor;
- f. Illegal foreign migrant workers; human trafficking; and
- g. Other non-compliances, such as physical abuse, sexual harassment or life-threatening health and safety issues or systematic violations on fire safety; any factory that is found to have any of the above said Zero Tolerance violations will be terminated forthwith, re-application will not be accepted for at least 6 months.

Specific requirements for two certifications

Please refer to the Remediation and Termination Policy and Introduction to the Remediation Program on our website for details.

On-site Audit for 9-month Remediation Program:

- 1) On unannounced basis, conducts by the accredited audit firm;
- 2) Full checklist is adopted;

- 3) With the audit requirement of:
 - a) No Zero Tolerance or any Transparency issue;
 - b) At least three-month compliance of wages and working hours;
 - c) No other critical Non Compliance.
- 4) Zero Tolerance or transparency issue will lead to certificate termination;

On-site Audits for 12-month Remediation Program:

- 1) On unannounced basis, conducts by the accredited audit firm;
- 2) With the audit requirement of:
 - a) Within 90 days of the start of the remediation program, the factory must fix wage-related violations (such as insufficient wages and/or delayed payment);
 - b) Within 7 months of the start of the remediation program, the factory must fix violations of working hours (such as without 1 day off within the pre-defined week, and/or less than 10 consecutive rest hours in the pre-defined 24 hours cycle);
 - c) No Zero Tolerance or any Transparency issue;
 - d) The first audit (Surveillance Audit) adopts full checklist;
 - e) The second audit (Reinstatement Audit) adopts full checklist;
- 3) Zero Tolerance or transparency issue will lead to certificate termination;

Complaint or Appeal Channels

Please refer to the Complaints and Appeals on our website for details.

Factories which have any concerns regarding the integrity, fairness, technical accuracy, implementation of audits by the audit firms, or having opinions different from the Ethical Toy Program staff regarding the disposition to the factories or audit implementation, are always welcome to contact Ethical Toy Program. Please contact the Ethical Toy Program Factory Helpdesk at (852) 2111-2462, or forward complaints or appeals via email to tac-appeal@ethicaltoyprogram.org.

Relevant policies and hyperlinks

- a. [Ethical Toy Program Website](#)
- b. [Ethical Toy Program Policies](#)
- c. [Complaint and Appeal Procedure & Form](#)



Thank you very much for your understanding and support to Ethical Toy Program and the auditors.

ICTI Ethical Toy Program

I hereby acknowledge that I have read and understood the above important message, and accept any liability for consequences arising from violation of the above policies.

Signed by authorized

Factory representative : _____ Title : _____

Date : _____ Factory Chop : _____