SMETA®
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Sedex Members Ethical Trade Audit Report

Version 7

Sedex, 5 Old Bailey, London, EC4M 7BA, United Kingdom

Contents

Audit content

(1) A SMETA audit was conducted which included some or all of labour standards, health and safety, environment and business ethics. The SMETA minimum requirements were applied and the SMETA auditor manual was followed. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA methodology are stated (with reasons for deviation) in the SMETA declaration.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the code areas below.

2-pillar audits include:

- Labour standards:
  - 0. Enabling accurate assessment
  - 1. Employment is freely chosen
  - 1.A. Responsible recruitment and entitlement to work
  - 2. Freedom of association and right to collective bargaining are respected
  - 4. Child labour shall not be used
  - 5. Legal wages are paid
  - 5.A. Living wages are paid
  - 6. Working hours are not excessive
  - 7. No discrimination is practiced
  - 8. Regular employment is provided
  - 8.A. Sub-contracting and homeworkers are used responsibly
  - 9. No harsh or inhumane treatment is allowed
- Health and safety:
  - 3. Working conditions are safe and hygienic
- Environment:
  - 10.A. Environment 2-pillar

4-pillar audits include, in addition to the above:

- Environment:
  - 10.B. Environment 4-pillar
- Business ethics:
  - 10.C. Business ethics

(2) Where appropriate, non-compliances or non-conformances were raised where either local law or the base code were not met, and recorded as non-compliances on both the audit report, CAPR and on the Sedex Platform.

(3) Any non-conformance against customer code shall not be uploaded to Sedex, but sent directly to the customer in question.

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Findings →

Audit details

Site details

Sedex site reference	ZS1000083114	**Site name**	Shanxi Dongyu Glass Co Ltd
Business name	Shanxi Dongyu Glass Co Ltd	**Site address**	030900 Wenqu Village Industrial Park, Guxian Town, Qixian County, Jinzhong City, Shanxi Province 山西省晋中市祁县古县镇温曲村温曲工业园区, Jinzhong, CN

Audit details

Sedex company reference	ZC5000070058	**Auditor company name**	ALGI China
Audit company address	Suite 4 , No.1701, West road , Jingan District, Shanghai City, Shanghai, CN, 200000		
Date of audit	2025-09-09	**Audit conducted by**	Abel Zhou
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out	Day 1		Day 2	
	In	08:00	In	08:00
	Out	18:00	Out	12:00

Audit type	Full initial
Was the audit announced?	Semi announced

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Findings →

Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Li Jiaqi / General manager
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

	Senior management	Worker representative	Union representative
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	There was no trade union at this factory.		
Reason for absence during the audit	There was no trade union at this factory.		
Reason for absence at the closing meeting	There was no trade union at this factory.		

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	This Semi-announced SMETA Initial audit (4-pillar) was conducted on Sepetember 9-10, 2025 (Audit Window: Aug 25, 2025-Sep 14, 2025) by ALGI auditor/Abel Zhou (Lead auditor) - APSCA registration No. CSCA21701779.

Lead auditor	Abel Zhou	**APSCA Number**	21701779
Additional auditor			
Date of declaration	2025-09-10		

← Contents Findings →

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Li Jiaqi
Title	General manager
Date of declaration	2025-09-10

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601099494
	3.K Ensure that all premises are safe and hav...	Local law Base code	NC ZAF601099495
	3.L Implement effective processes to manage f...	Local law Base code	NC ZAF601099496
	3.N Maintain a log of all hazardous substance...	Local law Base code	NC ZAF601099497
	3.R Provide clean and secure toilets, wash ar...	Local law Base code	NC ZAF601099498
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601099499
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601099500

Management systems

	Policies and procedures	Resources	Communication and training	Monitoring
1. Employment is freely chosen	✓	✓	ⓘ	ⓘ
1.A. Responsible recruitment and entitlement to work	✓	✓	ⓘ	ⓘ
2. Freedom of association and right to collective bargaining are respected	✓	✓	ⓘ	ⓘ
3. Working conditions are safe and hygienic	✓	ⓘ	ⓘ	⚠
4. Child labour shall not be used	✓	✓	✓	✓
5. Legal wages are paid	✓	⚠	ⓘ	⚠
6. Working hours are not excessive	ⓘ	⚠	ⓘ	⚠
7. No discrimination is practiced	✓	✓	✓	✓
8. Regular employment is provided	✓	✓	ⓘ	ⓘ

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly	Robust management systems	Robust management systems	Some improvements recommended	Robust management systems
9. No harsh or inhumane treatment is allowed	Robust management systems	Robust management systems	Robust management systems	Robust management systems
10.A. Environment 2-Pillar	Robust management systems	Some improvements recommended	Some improvements recommended	Some improvements recommended
10.C. Business ethics	Robust management systems	Robust management systems	Some improvements recommended	Some improvements recommended

- ✗ Not addressed
- ⚠ Fundamental improvements required
- ⓘ Some improvements recommended
- ✓ Robust management systems

← Summary of findings

Site details →

Site details

Company and site details

Sedex company reference	ZC5000070058	
Sedex site reference	ZS1000083114	
Company name	Shanxi Dongyu Glass Co Ltd	
Business ownership type	GOODS	
Site name	Shanxi Dongyu Glass Co Ltd	
Site name in local language	山西东玉玻璃股份有限公司	
GPS location	**GPS address**	Registered Address on Business license: Wenqu Village Industrial Park, Guxian Town, Qixian County, Jinzhong City, Shanxi Province, China. The production address is the same as above.
	Coordinates	Latitude: E 112°27′5.285″,N 37°23′13.981″
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Li Jiaqi
	Job title	General manager
	Phone number	+86 15935438155
	Email	2398885818@qq.com

← Management systems

Worker analysis →

Company and site details

Applicable business and other legally required business license numbers and documents	Business license: 91140727MA0JUBY554. Validity of Operation: From November 30, 2017 to Long Term. EIA(Environmental Impact Assessment Report): November, 2023. EIA approval: Qi Sheng Huan Ha[2023]No.22 issued on November 10, 2023. Environmental Protection Facility Acceptance Report on April 3, 2024. Pollution Discharging Permit: 91140727MA0JUBY554001Q valid from February 1, 2024 to January 31, 2029.

Site activities

Site function	Factory Processing/Manufacturer	
Site activities	**Primary**	Other manufacturing n.e.c.
	Secondary	
	Other	
Product type	Main product was glassware, and the manufacturing processes were Raw material, Mixing; Blowing; Quenching; Automatic cutting; transfer painting; Inspecting and Packing, Finished goods.	
Process overview	Main product was glassware , and the manufacturing processes were Raw material, Mixing; Blowing; Quenching; Automatic cutting; transfer painting; Inspecting and Packing, Finished goods. Main machines: 1 blowing line, 1 mixing machine, 2 electric grills, 1 cleaning machine and etc. Number of production line: 1 line.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	No The audited factory rented five 1-storey and two 2-storey buildings from an individual, the lease contract was provided for review during the audit. Based on onsite observation, the other buildings were used by another factory named Qixian Dongjiu Glassware Co., Ltd , the relevant factory used three 1-storey and one 2-storey buildings, the independent buildings, business license, workers and management were identified by the audited factory and Dongjiu factory. This audit only covered the rented area of the audited factory.

← Site details

Worker analysis →

Site scope

Building 1	**Last construction works on site**	2021
	If building is shared, provide details	No, this was not the shared building
	Number of floors	1
	Description of floor activities	1F: Office
Building 2	**Last construction works on site**	2021
	If building is shared, provide details	No, this was not the shared building
	Number of floors	1
	Description of floor activities	1F: Office
Building 3	**Last construction works on site**	2021
	If building is shared, provide details	No, this was not the shared building
	Number of floors	1
	Description of floor activities	1F: Warehouse
Building 4	**Last construction works on site**	2021
	If building is shared, provide details	No, this was not the shared building
	Number of floors	1
	Description of floor activities	1F: Warehouse
Building 5	**Last construction works on site**	2023
	If building is shared, provide details	No, this was not the shared building
	Number of floors	1
	Description of floor activities	1F: Warehouse

← Site details

Worker analysis →

Site scope

Building 6	**Last construction works on site**	2022
	If building is shared, provide details	No, this was not the shared building
	Number of floors	2
	Description of floor activities	1F: Mixing and warehouse 2F: Blowing; Quenching; Automatic cutting; Cleaning, Transfer painting, Inspecting and Packing
Building 7	**Last construction works on site**	2023
	If building is shared, provide details	No, this was not the shared building
	Number of floors	2
	Description of floor activities	1F and 2F: warehouse

Is there any difference between the site scope of the audit and the Sedex site profile?	No
Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site?	No
Is any activity conducted onsite not included within the scope of the audit?	No

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No

← Site details

Worker analysis →

Worker accommodation and transport

Does the site organise worker transport to the worksite?	Not provided No transport was provided by the facility. And provide transport is not required by local law.

Work patterns

Approximate workers on site per month (% of peak)	**January**	95-100%	**February**	90-95%
	March	95-100%	**April**	95-100%
	May	95-100%	**June**	95-100%
	July	95-100%	**August**	95-100%
	September	95-100%	**October**	95-100%
	November	95-100%	**December**	95-100%

Is there any night shift work at the site?	Yes The blowing workers were arranged with two shifts(7:30-15:30 and 15:30-23:30), the other workers were arranged with 1 shift(8:00-12:00 14:00-18:00)
What percentage of the workforce, including temporary and agency workers, work during the night shift?	0%
Was the audit conducted across all shift times, and did it include a representative sample of workers from each shift time in interviews and sampling?	Yes The audit was conducted across all shift times, and included a representative sample of workers from each shift time in interviews and sampling.

← Site details

Worker analysis →

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	No
Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	Yes Based on documents review and management interview, the factory performed the assessments for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community, management staff had enough risk awareness.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No No HRIA was conducted within the last three years at this site.

← Site details

Worker analysis →

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men		Women		Other		Total	
Number of workers	49	*(64.5%)*	27	*(35.5%)*	-	-	76	*(100%)*

Workers by type

	Men		Women		Other		Total	
Permanent workers (employees)	49	*(64.5%)*	27	*(35.5%)*	-	-	76	*(100%)*
Temporary or fixed term employees	0	-	0	-	-	-	0	*(0%)*
Agency or subcontracted workers	0	-	0	-	-	-	0	*(0%)*
Seasonal workers	0	-	0	-	-	-	0	*(0%)*
Self-employed workers	0	-	0	-	-	-	0	*(0%)*
Informal workers including home workers	0	-	0	-	-	-	0	*(0%)*
Apprentices, trainees or interns	0	-	0	-	-	-	0	*(0%)*

* % of total workforce

← Site details

Worker interviews →

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	1 *(100%)*	0 *(0%)*	- -	1 *(1.3%)*
International migrant workers	0 -	0 -	- -	0 *(0%)*
Total migrant workers	1 *(100%)*	0 *(0%)*	- -	1 *(1.3%)*

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from	One worker was from other provinces (Anhui).

Workers by age

	Men	Women	Other	Total
18 - 24 years old	1 *(100%)*	0 *(0%)*	- -	1 *(1.3%)*
15 - 17 years old	0 -	0 -	- -	0 *(0%)*
Under 15 years old	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Worker analysis

Worker interviews →

Is the worker analysis data relevant for peak season and current to the audit?	Yes
Please list the nationalities of all workers, with the three most common nationalities listed first	Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	65%	35%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 -	0 -	- -	0 *(0%)*
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 *(0%)*
Workers paid hourly / daily rate	49 *(64.5%)*	27 *(35.5%)*	- -	76 *(100%)*
Salaried workers	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Worker analysis

Worker interviews →

Workers by payment cycle

	Men		Women		Other		Total	
Paid daily	0	-	0	-	-	-	0	(0%)
Paid weekly	0	-	0	-	-	-	0	(0%)
Paid monthly	49	(64.5%)	27	(35.5%)	-	-	76	(100%)
Other	0	-	0	-	-	-	0	(0%)

* % of total workforce

If other payment cycle entered, please provide details	There was no other payment cycle used at the facility and all (100%) payment cycle was monthly.

People in managerial, supervisorial and administrative roles

	Men		Women		Other		Total
Employees in management positions	5	(62.5%)	3	(37.5%)	-	-	8
Supervisors or team leaders	2	(50%)	2	(50%)	-	-	4
Administrative staff	6	(60%)	4	(40%)	-	-	10

← Worker analysis

Worker interviews →

Worker interview summary

Gender disaggregated data available	Men and women
Which methods of worker engagement were used?	Individual interviews Group interviews

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

Were any of the audit findings attributable to the survey?	
Was the interview sample representative of all types of nationality and employment types of workers?	Yes
Was the interview sample representative of the gender composition of the workforce?	Yes
Number and size of group interviews	1 group with 5 workers
Did workers understand the purpose of the audit?	Yes
Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers?	Yes

← Worker analysis
Measuring workplace impact →

Was there any indication that workers had been 'coached' in how they should respond to questions?	No
What was the general attitude of the workers towards their workplace?	Favorable

Attitude of workers

In which areas did workers raise significant concerns or complaints?	Other (provide details) No complaint case was reported so far during interviewing, the interviewed workers were pleased with the management of factory, water, sanitary condition and working environment.
What did the workers like the most about working at this site?	Communication (e.g. from management) Contracts Equal opportunities Freedom of movement Grievance mechanisms Hours worked, rest days or breaks Overtime Training and development
Additional comments	There were 98 employees with 22 non-production staffs (including management, admin) and 76 workers in total at the factory. 11 workers including 7 male workers and 4 female workers were used for individual or group interviews. The workers' interviews were conducted at an independent room that located at the workshops or a quiet condition. The workers showed a cooperative attitude during the interview process. As per workers interviews, the workers showed their positive attitude to management and workplaces, they reported that all the overtime works were voluntary, they were satisfied about very easygoing teammates, felt happy of reasonable working overtime to earn higher wages. Management staffs treated them friendly and equally, water, sanitary condition, working environment, working time, overtime hours, overtime wages, basic wages and other benefits or bonus were well pleasing. The workers were assured of confidentiality and they spoke freely of their views of the factory. They felt free to leave this employer and understood the notice period required. They had good relationships with management staffs who treated them with respect. They made the suggestions to worker representatives, management staffs and sometimes they had seen the suggestions used.

← Worker analysis

Measuring workplace impact →

Attitude of workers

Attitude of workers' committee/union representatives	Interview was conducted with one worker representative. He was very cooperative and quite open talking with the auditor. He said factory management cared about workers and paid attention to deal with workers' suggestion or complain. He stated that the factory raised employee meeting every 3 months and helped to deal with workers' health, safety and environment issues. The worker representative showed that the management was kind, and the workplace was comfortable. No negative information was identified.
Attitude of managers	This Semi-Announced Initial Audit (4 pillar) was conducted on 9-10 September 2025 (Audit Window: Aug 25, 2025-Sep 14, 2025) by ALGI auditor/Abel Zhou (Lead auditor) - APSCA registration No. CSCA21701779. The total onsite MD was 1.5 MD. The factory agreed that ALGI auditors conducted the confidential interviews with employees who were chosen freely without any influence, the required documents were provided in a timely manner, the whole factory area was allowed access for tour, and a private meeting room was arranged for employee interviews. At the same time, management staffs showed a willingness to improve all issues found in the audit, they would carry out corrective actions against the findings to meet the requirements of ETI and laws.

Workers interviewed by type

	Total
Permanent workers	11
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0

← Worker analysis
Measuring workplace impact →

Workers interviewed by type

Total number of workers interviewed	11

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	3	2	-	5
Workers interviewed individually	4	2	-	6

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	1	0	-	1
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	1	0	-	1

← Worker interviews
Measuring workplace impact →

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.02%	1.02%	-	2.04%
Last full calendar year (2024)	3.06%	2.04%	-	5.1%
Previous full calendar year (2023)	4.08%	2.04%	-	6.12%

* Number of workers leaving in last 12 months as a % of average total number of workers on site over the year.

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	4.08%	2.04%	-	6.12%
Last full calendar year (2024)	6.12%	4.08%	-	10.2%
Previous full calendar year (2023)	5.1%	3.06%	-	8.16%

Number of days lost through job absence in the year, calculated as: (Number of days lost through job absence in the year) / [(Number of employees on 1st day of the year + Number of employees on the last day of the year) / 2] * (Number of available workdays in the year).

Are accidents recorded?	Yes There was no work injury happened in last 12 months, it is confirmed with work injury records, workers and factory management interview.

← Worker interviews

Code area 0 →

Annual number of work related accidents and injuries (per 100 workers)*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2024)	0.0%	0.0%	-	0.0%
Previous full calendar year (2023)	0.0%	0.0%	-	0.0%

* Calculated as (number of work related accidents and injuries * 100) / number of total workers.

Lost day work cases (per 100 workers)*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2024)	0.0%	0.0%	-	0.0%
Previous full calendar year (2023)	0.0%	0.0%	-	0.0%

* Calculated as (number of lost days due to work accidents and work related injuries * 100) / number of total workers.

Percentage of workers that work on average more than 48 total hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2024)	0.0%	0.0%	-	0.0%

← Worker interviews

Code area 0 →

Percentage of workers that work on average more than 48 total hours in a given week

Previous full calendar year (2023)	0.0%	0.0%	-	0.0%

Percentage of workers that work on average more than 60 total hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2024)	0.0%	0.0%	-	0.0%
Previous full calendar year (2023)	0.0%	0.0%	-	0.0%

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current Systems: The factory established an employment policy and recruiting procedure. The policy and procedure included the following clause: 1. The factory does not require deposit or withhold employees' ID cards. 2. The factory does not limit the employees' right of freedom. 3. There is no forced, bonded or prison labour in the factory. 4. Employees are free to leave their employer after reasonable notice. 5. The factory allowed the auditor to conduct and complete the audit without obstruction and provided the auditor with genuine and authentic records. 6. The factory did not offer bribes to or threaten the auditor, nor in any way induce the auditor to be dishonest. 7. The factory provided an accurate site description and Sedex site profile declared prior to or during the audit. 8. The factory maintained a written human rights policy statement that was approved at the most senior level, communicated to all personnel, and trained to relevant personnel. Evidence examined: Details: 1. Factory rules/regulations, anti-forced labour statement, training records on forced labour issues. 2. Personnel files including original ID copies, labor contracts and so on. 3. Resignation records. 4. Management and worker interviews. 5. Human righting policy training records. 6. SAQ

← Measuring workplace impact
Code area 1 →

0. Enabling accurate assessment

Data points

Has the site received an official notice, fine, prosecution, or withhold release order (WRO) for non-compliance with legislation, regulation, consent, or permits within the last three years, relating to Health and Safety, labour rights or the environment?	No
Did any workers selected by the auditor decline to be interviewed?	No

← Code area 0 Code area 1 →

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

← Code area 0

Code area 1.A →

Management systems

Explanation for management systems grades	1)Policies and Procedures: The factory established employment management procedure and prohibition of forced labor procedure. The procedures stipulated that the factory respected the workers' right to work and choose. The factory could not discriminate, threaten, harass or abuse workers in recruitment, and must interview workers fairly and justly according to the job requirements of the factory. If a worker was not satisfied with the factory after joining, they could notify the factory 3 days in advance during the probation period or notify the factory 1 month in advance for regular workers, and the worker could resign. Forced labour, human trafficking and debt bondage/bonded labour were explicitly prohibited in the factory. The procedures were compiled by the Administrative department, reviewed by the Administrative Manager, and approved by the General Manager. 2)Resources: There were responsible people available for ensuring implementation of the policies. The responsible person had received relevant training and used their knowledge to develop effective processes, and regularly organized meetings to train employees. The responsible person have the power to allocate resources and provide support to promote effective implementation of the policies. 3)Training and communication: Training at site was governed by a training procedure which was the specific responsibility of the Training Personnel. The factory had developed an annual training plan and trained employees according to the plan. Training records were available for review. However, employees were relatively unfamiliar with knowledge about forced labor and did not pay much attention to it. 4)Monitoring: The factory continuously monitored the effectiveness of these procedures through regular monitoring and internal audits. The factory also worked out and implemented active actions for the non-compliance noted during the internal audits. The factory provided appropriate channels for employees to report violations of these policies. However, the frequency of the regular monitoring of signs of forced labor was inadequate.

Summary of findings

← Code area 0

Code area 1.A →

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 0

Code area 1.A →

Systems and evidence examined to validate this code section	Current Systems: 1. The factory established the recruitment management procedure and regularly updated this procedure. 2. The HR Manager was responsible for the recruitment work, and they were aware of the relevant law requirements. 3. The factory arranged the induction training for all newly joined employees and kept the relevant training records for review. 4. The factory signed labor contracts with all employees and issued the copies of the labor contracts to workers. The factory provided relevant training on labor laws for all employees. 5. Based on worker interviews, they were aware of the relevant requirements on labor works, including labor contracts. 6. Cross checking by documents review, management and worker interviews, no employment agency was used by the factory. All workers were recruited by the factory directly. 7. The factory recruited the newly joined workers by the advertisements, internet or employees' recommendation. 8. No agency staff or foreign employee was hired in the factory; all employees were employed directly by the factory, and they were Chinese. 9. Workers could freely leave the workplace, allowing for what is reasonable (e.g. for safety or security in hazardous worksites). Security guards did not restrict workers' freedom of movement beyond what is reasonable. 10. The surveillance only used for security management which was not excessive or for the purpose of controlling or intimidating workers. 11. The workers' original passports, travel or identity documents or any other valuable items were kept by workers themselves. 12. The factory allowed workers to resign at the end of their contract or at any time, without paying a fee, and receiving the full wages owed including any holiday pay/benefits. 13. All workers were paid monthly per legal requirement. 14. No any payments withholding and salary as deposit issue was identified. Evidence examined: Details: 1. Personnel files 2. Labor contracts 3. Recruitment procedure and employment procedure 4. Management and worker interviews 5. Employee handbook 6. Onsite visits 7. Employee roster 8. Training records

← Code area 0

Code area 1.A →

9. Letter of appointment

1. Employment is freely chosen

Data points

If required under local law, is there a published 'modern slavery' or similar statement?	Not Applicable
Does the site utilise any workers who are prisoners?	No
Does the site use the labour of persons required to work under any government scheme?	No

← Code area 1

Code area 1.A →

1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

← Code area 1

Code area 2 →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory has established a Responsible Recruitment and Entitlement to Work Procedure and Policy, which is strongly supported by top management. This policy is designed to ensure that all recruitment practices are fair, transparent, and compliant with all legal requirements regarding the right to work. The policy is reviewed annually by the management team, signed by the General Manager, and governed by the company's Human Resources Management System procedure. The policy states that workers are not required to pay any recruitment fees or associated costs, and the clear definition of constitutes recruitment fees and related expenses are listed. 2)Resources: The General Manager is named within the Responsible Recruitment and Entitlement to Work Procedure and Policy as ultimately responsible for ensuring his resourcing, approval and regular review. Specific office lead is allocated responsibility to implement the Hiring Procedure in named areas, which includes all areas of business. 3)Communication & Training: The factory's Responsible Recruitment and Entitlement to Work Procedure and Policy is disseminated annually among workers, and the training covers essential topics such as verifying legal working age, ensuring proper documentation, and preventing fraudulent recruitment practices. However, there is a minor gap identified in the procedure where employees who missed the annual training did not receive the missed training. 4)Monitoring: The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. However, a minor issue has been identified in that the results of internal audits are not being communicated to the workers.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 1 Code area 2 →

Systems and evidence examined to validate this code section	Current Systems: 1.As per document review, management and workers interview, no employment agency was used by the factory. 2.The factory recruited the new workers directly by the advertisements, employees'recommendation and recruitment fair. 3.All workers in the factory were Chinese. 4.All workers had the proper legal rights to work in this region. 5.No agency staff or foreign worker was found during this audit. 6. All workers were hired by the factory directly through talent market or online recruitment, and no recruitment fees in the factory. Evidence examined: Details: 1.Hiring procedure. 2.Worker handbook 3.Personal files and contracts 4.Interview with management and workers.

← Code area 1

Code area 2 →

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

Does the site use labour providers and/or formal, temporary, seasonal or guest worker programmes?	Workers are recruited, selected, and hired directly by our company
How do the labour providers recruit and hire workers?	N/A - Recruitment providers not used
Where labour providers were used to recruit, what was the highest number of tiers identified in a workers recruitment journey?	0
Are there any subcontracted workers (excluding dispatched labour) on site?	No
Were all non-employee (e.g. agency or subcontracted) workers included within the scope of this audit for the purpose of document review and (if onsite on date of audit) interview?	Not Applicable
Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review?	Not Applicable

Migrant workers

Do any workers migrate across international borders to work at this site?	No

← Code area 1.A

Code area 2 →

Percentage of workers that are migrant	1%
Do any workers migrate from other states, provinces or regions within the country to work at this site?	Yes
List the sending states/provinces/regions	1 worker was from other province (Anhui).

Recruitment fees

Were you able to detect recruitment fees and costs paid by workers during the recruitment and employment process?	Not Applicable
Were recruitment fees or costs identified during worker interviews?	No No recruitment fee or cost was required to be paid by the workers during recruitment processes.

2. Freedom of association and right to collective bargaining are respected

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory established the Employee Representative Election Procedure and Employee Freedom of Association Procedure. The procedures stipulated that employees had the right to freely elect employee representatives, freely form and participated in trade unions, and engaged in collective bargaining. The procedures were compiled by the Administrative department, reviewed by the Administrative Manager, and approved by the General Manager. 2)Resources: The factory appointed the General Manager to assist workers in electing worker representative, regularly communicate with worker representatives, follow up on worker representative meetings, and report to the factory management. The General Manager held quarterly meetings with employee representative to discuss and follow up on the decisions made during the meetings. 3)Communication & Training: New employees were required to attend on-boarding training in the Administrative department which included Employee Representative Election Procedure and Employee Freedom of Association Procedure. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone, including Employee Representative Election Procedure and Employee Freedom of Association Procedure. However, employee representatives were in the exploratory stage of how to carry out their responsibilities, limited by their own cognitive limitations. The factory did not have more advanced guidance and training. 4)Monitoring: Worker representative meetings were held quarterly. This system established an effective communication channel between factory management and workers, resulting in increased worker satisfaction with the factory. Workers were free to elect their approved worker representative and conveyed their opinions and demands to the factory management through the worker representatives. Although only some of the suggestions were implemented, the workers recognized the effectiveness of this system. Worker representative could use the factory's conference room free of charge to hold events at any time and could also fulfill their duties in the workshop at any time. All the interviewed workers knew the names and contact information of the employee representative. However, the current monitoring process lacks one to one feedback from the workers.

← Code area 1.A

Code area 3 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current Systems: 1. There was a worker committee at this site. 2. The management has an open attitude towards the work committee. 3. The factory respected workers' rights to have Freedom of Association and Rights to Collective Bargaining. 4. Three worker representatives were elected in the factory in June 2025. The worker representatives were not discriminated against and had access to carry out the representative functions in the workplace. 5. Through workers interviews, the workers could raise their opinions, suggestions or grievances to the workers' representative or communicate to their supervisors directly. Evidence examined: Details: 1. Site policy on freedom of association 2. Worker representative election procedure 3. Minutes of the worker committee meeting 4. Interview with workers 5. Interview with worker representative 6. Interview with managers 7. Meeting records of workers' representative and management staff.

← Code area 1.A
Code area 3 →

2. Freedom of association and right to collective bargaining are respected

Data points

Are trade unions allowed by law in the national context?	Yes
Are there any registered trade unions in the workplace?	No
Are they active?	
Does the employer recognise the trade union?	Not Applicable
Are the worker representative bodies, trade union or otherwise, accessible to all workers, including more vulnerable workers (such as female, migrant, agency, and seasonal workers)?	Yes
Are the worker representatives freely elected by the workforce as a whole?	Yes
Does union/worker committee membership reflect the gender composition of the workforce?	Yes
Does the membership reflect the nationality composition of the workforce?	Yes
Has there been any industrial action (e.g. strikes, unrest, or cases raised to formal tribunals or labour courts) in the past two years?	No

← Code area 2 Code area 3 →

3. Working conditions are safe and hygienic

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory has established a Health and Safety Policy, which is strongly supported by top management. This policy is designed to ensure that all workers have access to a safe and healthy working environment, including proper training, protective equipment, and emergency procedures, especially for the workers working at exposed to noise. The policy is reviewed annually by Health and Safety Committee and signed by the General Manager, and controlled by safety management system. 2)Resources: Skilled human resources, including safety officers and hygiene specialists, are employed to oversee and implement relevant protocols. The General Manager is responsible to ensure compliance with this module. But the factory didn't have a backup plan in case the General Manager wasn't on site. 3)Communication & Training: The factory's Health and Safety Policy is disseminated annually among workers, and the training covers critical areas such as emergency procedures and workplace hazard identification, However, there is a minor gap identified that the factory does not encouraging workers to actively report on the health and safety issues they have discovered. 4)Monitoring: The factory management had done their best to carry out on-site management in accordance with the requirements of procedures. The factory conducted risk assessments annually and H&S committee was available in the factory. First aid kits and PPE were provided for workers freely. Workers could stop working, seek safety or leave the premises without the threat or fear of retaliation when they believed hazards in the workplace had placed them in imminent danger. However, Health and Safety Committee did not conduct a follow-up evaluation of the corrective action to ensure continued compliance with the action.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 2

Code area 4 →

3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC	ZAF601099494
	3.K Ensure that all premises are safe and hav...	Local law Base code	NC	ZAF601099495
	3.L Implement effective processes to manage f...	Local law Base code	NC	ZAF601099496
	3.N Maintain a log of all hazardous substance...	Local law Base code	NC	ZAF601099497
	3.R Provide clean and secure toilets, wash ar...	Local law Base code	NC	ZAF601099498

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section	Current Systems: 1. The factory provided occupational health training for employees and disseminated occupational health and safety knowledge. However, the effects of training on PPE, building certificate, gas cylinder safety and goods placement did not meet expectations. 2. Health & safety policies were established, and the factory managers were familiar with the policies. 3. Mr. Li Jiaqi/General Manager was appointed as Health & Safety Manager for the site. 4. There was a health & safety committee at the site. 5. H&S Risk assessments were conducted regularly. 6. The factory has conducted effective risk assessments to ensure the safety of all types of workers. Workers' suggestions were collected during the process of health & safety risk assessment. 7. The production activities include Mixing; Blowing; Quenching; Automatic cutting; transfer painting; Inspecting and Packing. Hazardous chemicals such as lubricating oil was used onsite. 8. Three qualified first aiders were available at the facility. 9. The factory offered pre-job fire safety training for employees and organized fire safety training and fire protection drilling. The latest fire drill was conducted on 20 June 2025. Employees were aware of the evacuation routes under emergencies and knew how to use firefighting facilities. Employees also knew the location of the emergency assembly point. 10. There were at least two exits on each production floor, and they were clearly marked. All exits were unbarred and unlocked. 11. All evacuation aisles were clear and unblocked and its width was enough. 12. The factory kept the records of work-related injury; no accident or injury had occurred up to the audit date. 13. The factory established an emergency plan, including mechanical injury, fire accident, traffic accident, electric shock, environmental pollution, natural disaster and others. 14. One qualified electrician was available at the site and the qualification certificate was provided for review; the electrician monthly inspected the electrical safety of the factory. 15. All electrical equipment such as sockets, plugs, switches, and main fuse boards were inspected monthly. 16. Fire equipment (such as hydrants, extinguishers, fire alarms, and others) and evacuation facilities were equipped. 17. Firefighting facilities were inspected once every month, and check records were available. 18. There were designated fire fighters at the production floor. 19. The equipment management personnel regularly maintained the equipment and

← Code area 2

Code area 4 →

kept the maintenance records.
20. The factory did not obtain the report of acceptance check for construction completion for its buildings.
21. The buildings were observed in safety conditions and without cracks.
22. Lavatory facilities were accessible and adequate in number and segregated for men and women. Washbasins and water taps were available and adequate. Free hand sanitizer and toilet paper were provided.
23. Chemical such as lubricating oil was used for machine maintenance. Secondary containers were used for chemicals storage, SDS and warning signs were available at chemicals usage and storage areas.
24. Drinkable water was provided free of charge to workers.
25. The workshop had ventilation equipment, lighting, temperature, noise, and dust were appropriate.
26. No transportation, canteen or dormitory services were provided for workers.

Evidence examined:
Details:
1. Health & safety policy, Health & safety manual, Health & safety committee minutes
2. Training records and certificates
3. Fire equipment/electric device maintenance records
4. Fire drill records
5. Fire licenses and structural licenses
6. Trained first aider certificate
7. Accident reports
8. Potable water testing report
9. Interviews with H&S manager
10. Interviews with workers and H&S committee members
11. Onsite tours.
12. Chemicals list and SDS

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601099494

Non-compliance

Due 2025-10-16

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.H Where identified as necessary to reduce residual risk, provide (without charge to workers) and ensure the use of appropriate personal protective equipment (PPE).

Issue title

278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate

Description

Based on site observation,the factory provide appropriate PPEs to workers, but it was found that two blowing workers did not wear earplugs during operating time.
现场审核发现，工厂提供了合适的劳保用品给员工，但是2位吹制员工作业时没有佩戴耳塞。

Corrective and preventative actions

The factory should monitor and educate employees to wear appropriate PPE. 工厂应该监督教育员工佩戴合适的PPE。

Local law reference

Production Safety Law of the People's Republic of China (2021 Amendment), Article 45
A business entity must provide labor protection articles that meet the national standards or industrial standards to the employees, supervise and educate employees to wear and use these articles according to the prescribed rules.
中华人民共和国安全生产法（2021修正）第四十五条
生产经营单位必须为从业人员提供符合国家标准或者行业标准的劳动防护用品，并监督、教育从业人员按照使用规则佩戴、使用。

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

[Workers did not wear earplugs.JPG]

* PDF generated at 23:06 (UTC) on 16 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF601099495

Non-compliance

Due 2025-11-15

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.K Ensure that all premises are safe and have valid safety certifications for their current layout and use. If it is currently not possible for a required license or certificate to be obtained, implement inspections by appropriate third parties to ensure building safety.

Issue title

852 - Buildings at the site have neither legal or third party certification of their safety (e.g. none of house property construction safety appraisal reports or construction acceptance reports)

Description

Based on site observation, the factory rented and used five 1-story and two 2-story buildings, which were constructed around 2021 to 2023. The factory did not provide building structure safety certificate or other third-party reports for all the buildings.
Remark: The factory explained that the landlord did not provide it.
现场审核发现，工厂租用了5栋1层和2栋2层建筑，建造时间大约在2021-2023，工厂没有提供所有建筑的竣工验收报告，也没有提供其他第三方报告。
备注：工厂解释称房东未提供。

Corrective and preventative actions

The factory should obtain the building structure safety certificate for all buildings.
工厂应获得所有建筑的竣工验收报告。

Status

Open*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

Local law reference

Construction Law of the People's Republic of China (2019 Amendment), Article 61
A construction project may only be handed over for use upon passing the acceptance checks; no construction project shall be handed over for use without going through the acceptance checks or passing the acceptance checks.
中华人民共和国建筑法（2019修正）第六十一条
建筑工程竣工经验收合格后，方可交付使用；未经验收或者验收不合格的，不得交付使用。

* PDF generated at 23:06 (UTC) on 16 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF601099496

Non-compliance

Due 2025-10-16

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title

172 - Fire licence, inspection or certificates not in place as required by law

Description

Based on site observation, the factory rented and used five 1-story and two 2-story buildings, which were constructed around 2021 to 2023. The factory did not provide fire safety certificate/registration or other third-party reports for all the buildings.
Remark: The factory explained that the landlord did not provide it.
现场审核发现，工厂租用了5栋1层和2栋2层建筑，建造时间大约在2021-2023，工厂没有提供所有建筑的消防验收报告或备案，也没有提供其他第三方报告。
备注：工厂解释称房东未提供。

Corrective and preventative actions

The factory should obtian the fire safety certificate or registration for all buildings.
工厂应获得所有建筑的消防验收报告或者备案。

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

Local law reference

Fire Prevention Law of the People's Republic of China (2021 Amendment),
Article 11 For a special construction project as specified by the housing and urban-rural development authority under the State Council, the construction employer shall submit fire protection design documents to the housing and urban-rural development authority for review, and the housing and urban-rural development authority shall be responsible for review results according to the law.
For a construction project other than one specified in the preceding paragraph, the construction employer shall provide fire protection design drawings and technical information as needed for construction when applying for a construction license or approval of the construction commencement report.
Article 13 Where the housing and urban-rural development authority under the State Council requires that an application for fire protection final inspection of an as-built construction project should be filed, a construction employer shall file such an application with the housing and urban-rural development authority.
For a construction project other than one specified in the preceding paragraph, the construction employer shall report for recordation to the housing and urban-rural development authority after final inspection, and the housing and urban-rural development authority shall conduct random inspection.

Where a construction project that is subject to fire protection final inspection according to the law fails or is nonconforming as established by the fire protection final inspection, it shall be prohibited from being put into use; and any other construction project that is nonconforming as established by random inspection conducted under the law shall cease to be used.
中华人民共和国消防法（2021修正）
第十一条 国务院住房和城乡建设主管部门规定的特殊建设工程，建设单位应当将消防设计文件报送住房和城乡建设主管部门审查，住房和城乡建设主管部门依法对审查的结果负责。
前款规定以外的其他建设工程，建设单位申请领取施工许可证或者申请批准开工报告时应当提供满足施工需要的消防设计图纸及技术资料。
第十三条 国务院住房和城乡建设主管部门规定应当申请消防验收的建设工程竣工，建设单位应当向住房和城乡建设主管部门申请消防验收。
前款规定以外的其他建设工程，建设单位在验收后应当报住房和城乡建设主管部门备案，住房和城乡建设主管部门应当进行抽查。
依法应当进行消防验收的建设工程，未经消防验收或者消防验收不合格的，禁止投入使用：其他建设工程经依法抽查不合格的，应当停止使用。

* PDF generated at 23:06 (UTC) on 16 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF601099497

Non-compliance

Due 2025-10-16

← Code area 3

Code area 4 →

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.N Maintain a log of all hazardous substances (e.g. chemicals and pesticides) on site. Ensure that these are managed appropriately at all times in line with safety instructions, including storage, use and disposal.

Issue title

240 - No/inadequate safety measures/anti-explosion measures for chemicals (e.g. no anti-leaking system/secondary container/unbunded)

Description

Based on site tour it was identified that, the acetylene cylinders used in the factory workshop were not fixed to prevent them from falling over, and the relevant cylinders did not equipped with cylinder caps. 根据现场审核发现，工厂车间使用的乙炔气瓶没有固定以防止倾倒，且相关气瓶没有瓶帽
。

Corrective and preventative actions

The factory should ensure all cylinders fixed and equip with cylinder caps.
工厂应确保所有气瓶固定且安装合适的瓶帽。

Local law reference

Safety Rules for Handling, Loading and Unloading, Storing and Using of Cylinder (GB/T 34525-2017), Article 9
Key points for safe use of gas cylinder
9.1 The unit and operator using gas cylinder shall:
c) When the cylinder is used, it shall be placed upright and there shall be measures to prevent it from falling over.
f) When installing a pressure reducing valve or busbar, check that the threads of the clamp or connecting nut are intact. Pressure reducers, joints, conduits and pressure gauges used to connect gas cylinders shall be marked and used on the specified cylinder.
气瓶搬运、装卸、储存和使用安全规定（GB/T 34525-2017）9
气瓶安全使用要点
9.1 气瓶的使用单位和操作人员在使用气瓶时应做到：
c）气瓶使用时，应立放，并应有防止倾倒的措施。
f）在安装减压阀或汇流排时，应检查卡箍或连接螺帽的螺纹完好。用于连接气瓶的减压器、接头、导管和压力表，应涂以标记，用在专一类气瓶上。

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

cylinders were not fixed and without cylinder caps.JPG

* PDF generated at 23:06 (UTC) on 16 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF601099498

Non-compliance

Due 2025-11-15

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

327 - Storage of goods not in line with legal requirements (e.g. too high)

Area of non-compliance/non-conformance

Local law

Base code

Description

Based on onsite tours, management and worker interviews, 10% of the goods in warehouse were stored against the walls or pillars (less than 0.5 meter).
根据现场巡视、管理层和员工访谈，仓库中 10%的货物靠墙或靠柱子存放（小于0.5米）

Corrective and preventative actions

The factory should ensure the distance between goods and wall or pillar was at least 0.5 meter.
工厂应确保仓库内的货物和墙或柱子的距离至少0.5米。

← Code area 3

Code area 4 →

Local law reference

Rules Concerning Warehouse Safety and Fire Control article 18: The goods in warehouse should be classified for storage. The area occupied by any stack should not be greater than 100 square meters; Separation distance between stacks at least 1m, Separation distance between stacks and the wall at least 0.5m, and Separation distance between stacks and beams/pillars at least 0.3m. The width of main passage should be at least 2m.
《仓库防火安全管理规则》 第十八条 库存物品应当分类、分垛储存，每垛占地面积不宜大于一百平方米，垛与垛间距不小于一米，垛与墙间距不小于零点五米，垛与梁、柱间距不小于零点三米，主要通道的宽度不小于二米。

Evidence

[Goods stored against the pillar.JPG]

[Goods stored against the wall.JPG]

* PDF generated at 23:06 (UTC) on 16 Sept 2025. [View this finding on the Sedex platform] for live updates and closure details.

← Code area 3

Code area 4 →

3. Working conditions are safe and hygienic

Data points

Is someone within the company responsible for health and safety?	Yes, senior manager or business owner
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	No
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	Yes Chemical such as lubricating oil was used for machine maintenance.
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Workers organise their own transport
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable The factory did not alter the structure of all buildings by onsite check, such as added floors.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

← Code area 3 Code area 4 →

Does the site have a structural engineer evaluation?	No

4. Child labour shall not be used

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades	1)Policies and Procedures: The company 'Social Responsibility Management Manual' policies which outlined the systems were in place to manage the issues at the site includes all relevant requirements of the code area, and further details can be found in the policies such as worker recruitment policies, no child labor policy, remediation policies for the misuse of child labors and others. Employees had access to these policies. These policies were regularly reviewed and updated. The Policies made reference to the Hiring Procedure, which outlines the key mechanisms in place for preventing underage work and the placement of young workers in unsuitable positions. This procedures included provision for non-employee (agency) workers. The Remediation Procedure outlined processes and responsibilities, including financial, for undertaking remediation. The factory Policies and procedures were appropriate for the site context and were very likely to lead to sustainable compliance with the Base Code Area now and over time through regular review. 2)Resources: Robust There was a responsible person Administrative Manager available to ensure the implementation of the policies and she was much aware of the policies and took periodic training to meet the requirements. Procedures were in place for interim responsibility in the case of position change or absence. Administrative Manager had enough power to facilitate the implementation of these policies. 3)Training and communication: The factory had developed an annual training plan and trained employees according to the plan. The training records were provided for review. Training at site was governed by a training procedure which was the specific responsibility of the Training Personnel. The Child Labour Prevention and Remediation Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the Hiring Procedures was mandatory for all recruitment staff processing applications or on boarding. A training matrix utilized by line managers ensures that there was a very low chance of gaps regarding this training. 4)Monitoring: The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. Any identification of misapplication of procedures, or concerns about application are escalated for action in regular management meetings. Management System Grade was robust Management System for each part according

← Code area 3 Code area 5 →

Management systems

	to the performance operated by the factory on this section of “Child labour shall not be used”.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current Systems: 1. The factory established a policy that will never employ and use any child labour under the age of 16 years old. 2. Remediation procedure regarding child labor and relevant policy for young workers was established. 3. The factory would verify all workers’ original ID cards at the time of recruitment and kept the photocopies of workers’ ID cards in the personnel files. 4. Sufficient numbers of employees’ personal files were provided for review. Each employee file included a bio-data sheet, a recent photo and the age documentation,which was in the form of photocopied national identification card. The card listed the employee’s name, household address and the date of birth. 5. The youngest employee was 20 years old at this site. The worker was born on 19 September, 2004 and entered the factory on 6 July, 2023. Evidence examined: Details: 1. Policy on anti-child labor 2. Record of personal file etc 3. Management and worker interviews 4. Child labor remediation procedure and young workers’ protection procedures 5. Onsite tours

← Code area 3

Code area 5 →

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	1%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	20
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

← Code area 4

Code area 5 →

5. Legal wages are paid

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Fundamental Improvements Required
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 4

Code area 5.A →

Management systems

Explanation for management systems grades	1)Policies and Procedures: The company established 'Employee Manual', 'Labour Contract', 'Social Responsibility Management Manual' and others which outlined the systems were in place to manage the wage issues at the site includes all relevant requirements of the code area, and further details can be found in the policies on worker manuals, labour contracts and others. The policies were regularly reviewed and updated. Employees have access to these policies. The factory Policies and procedures followed local law and ETI requirements and were appropriate for the site context and were very likely to lead to sustainable compliance with the Base Code Area now and over time through regular review. 2) Resources: The General Manager was available to ensure the implementation of the wage policies, and regular external or internal training was available for them to ensure the management meets the requirements. They were aware of the policies and have enough power to facilitate the implementation of these policies. However, due to the consideration of cost and profit, they did not allocate enough resources for the social insurance issue. 3)Training and communication: The factory has developed an annual training plan and trained employees according to the plan and the training records were provided for review. The factory evaluated the effectiveness of the training related to wage & benefits. Workers interviewed were aware of the relevant benefits, wage calculation and others. Because most of employees did not purchase social insurance in the factory, the factory should continue to strengthen effective communication and training with employees. 4)Monitoring: The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to noncompliances. However, there is no evidence to show that corrective actions have been implemented to increase the ratio of social insurance participation.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 4

Code area 5.A →

5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC	ZAF601099499

Systems and evidence examined to validate this code section	Current Systems: 1.The factory established the wages and benefits management procedure, wages were paid on time accurately and according to legislation. 2.The local legal minimum wage standard has been raised to CNY 2050 per month equivalent to CNY 11.78 per hour since January 1, 2025 and CNY 1880 per month equivalent to CNY 10.80 per hour before January 1, 2025. 3.Payroll records from September 2024 to August 2025 were provided by the factory for checks. All workers were paid by hourly wages, and the minimum wages were CNY 3000 per hour, which was higher than local law required. 4. The factory paid 150% of basic wage rate for weekday overtime working hours, 200% of basic wage rate for weekend overtime working hours, 300% of basic wage rate for statutory holiday overtime working hours. While there was no worker worked overtime on statutory holiday during the audit. All workers were paid around 10th of every month by cash and each worker was given a pay slip. 5. Workers understood their wages, including clear contractual clauses, time recording systems and pay slips. 6.The factory had provided annual leaves, breastfeeding leave and maternity leave for workers according to the benefit policy. 7.The employees who violated the factory rules would be warned, gigged or fired, no monetary fine for disciplinary purpose. 8.The factory provided social insurances to some eligible employee, and the factory provided accident insurance for all other employees. Evidence examined: Details: 1. Employee handbook 2. CSR manual 3. Local and national laws 4. Local legal minimum wage documents 5. Training records 6. Payroll records 7. Time records 8. Leave records 9. Resignation records 10. Production records 11. Sample pay slips with recorded hours of all workers interviewed 12. Workers' contracts 13. Social insurance receipt 14. Interview with workers and management

← Code area 4

Code area 5.A →

Findings: non-compliances

ZAF601099499

Non-compliance

Due 2025-11-15

Code area

5 Legal wages are paid

Workplace requirement

5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.

Issue title

423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic

Description

Based on documents review, interview of management and workers, insufficient social insurance participated. There were total 98 employees of the factory, contained 5 retired employees and no new employee within one month, no temporary employee and dispatched employee in the factory. The factory provided social insurance voucher of the past 12 months, per the social insurance voucher of August 2025 review, 29 out of 93 eligible employees (31.2%) participated in pension insurance, 87 out of 93 eligible employees (93.5%) participated in unemployment insurance, 29 out of 93 eligible employees (31.2%) participated in medical and maternity insurance, and 87 out of 98 eligible employees (88.8%) participated in injury insurance. No social insurance waiver was provided. The factory provided the commercial accident insurance for all other employees which valid from 29 March 2025 to 28 March 2026. 根据文件审核，管理层和工人访谈，社会保险参保不足。工厂一共有98人，包含5名退休工人和没有入职不满一个月的新工人，没有临时工人和派遣工人。工厂提供了最近十二个月的社保记录供审核，但是2025年8月的社保记录显示93名法定员工中的29名员工（31.2%）参加了养老保险，93名员工中的87名员工（93.5%）参加了失业保险,93名法定员工中的29名员工（31.2%）参加了医疗和生育保险，98名员工中的87名员工（88.8%）参加了工伤保险。工厂没有社保批文。工厂为所有没有社保的员工购买了商业意外险，有效期从2025年3月29日到2026年3月28日。

Corrective and preventative actions

The factory should provide five kinds of social insurance for all eligible employees. 工厂应按照法规要求为所有符合条件的员工缴纳社会保险。

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 5

Code area 5.A →

Local law reference

Labor Law of the People's Republic of China (2018 Amendment) Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and an overall pooling of insurance funds from the society shall be introduced step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law. Article 73, Laborers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances: 1. Retirement; 2. Illness or injury; 3. Disability caused by work-related injury or occupational disease; 4. Unemployment; and 5. Child-bearing. 中华人民共和国劳动法（2018修正） 第七十二条 社会保险基金按照保险类型确定资金来源，逐步实行社会统筹。用人单位和劳动者必须依法参加社会保险，缴纳社会保险费。 第七十三条 劳动者在下列情形下，依法享受社会保险待遇：（一）退休；（二）患 病 、 负 伤；（三）因工伤残或者患职业病；（四）失业；（五）生育

* PDF generated at 23:06 (UTC) on 16 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	Wages meet a living wage The legal minimum wage Wages are based on job skills and experience
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Does not use digital payments (give details) All workers were paid by cash.
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None

Worker renumeration

Which benefits are provided to permanent or full-time workers that are not provided to temporary or part-time workers?	Not applicable

Summary information

Is legal wage/legally recognised CBAs data available for any of these options?	Monthly
Is actual wage data available on site for any of these options?	Monthly

← Code area 5

Code area 5.A →

Maximum legal working hours	**Max hours per day**	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable
Actual required working hours	**Required hours per day**	8.0
	Required hours per week	40.0
	Required hours per month	184.0
Maximum legal overtime hours	**Max hours per day**	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	**Max hours per day**	2.0
	Max hours per week	12.0
	Max hours per month	56.0
Minimum legal wage	**Min per hour**	11.78
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	2050.0
Actual minimum wage	**Actual per hour**	17.24
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	3000.0

← Code area 5 Code area 5.A →

Minimum legal overtime wage	**Min per hour**	17.67
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	25.86
	Actual per day	51.72
	Actual per week	259.2
	Actual per month	1225.29

Wage analysis

Number of workers' records checked	33
Provide the date and details of the records	11 samples from August 2025 (current) 11 samples from March 2025 (random) 11 samples from November 2024 (random)
Are there different legal minimum/ legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Above legal minimum
Indicate the breakdown of workforce per earnings	100% workers' minimum wages were paid at least CNY 3000 per month, which was higher than the local law requirement (CNY 2050 per month since January 2025 and CNY 1880 before January 2025).
Are there any bonus schemes used?	No

← Code area 5 Code area 5.A →

Were accurate records shown at the first request?	Yes
Were any inconsistencies found?	No

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. A comprehensive living wage gap analysis has been conducted in alignment with the ILO's principles, which include estimating the needs of workers and their families through detailed surveys. These surveys cover essential expenses such as food, housing, medical care, education, transportation, and other necessities in the local area. 2. The analysis revealed that the wages currently provided by the factory exceed the calculated living wage. As a result, no further actions are required currently, as the factory is already ensuring that its workers receive wages sufficient to maintain a decent standard of living. Evidence examined: 1 Procedure relating to living wage 2 Living wage assessment 3 Payroll records 4 Wage improvement plan 5 Management interview and worker interview

← Code area 5

Code area 6 →

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Some Improvements Recommended
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Fundamental Improvements Required
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 5.A

Code area 7 →

Management systems

Explanation for management systems grades	1)Policies and Procedures: The factory has established a Working Hours Policy, which is strongly supported by top management. This policy is designed to ensure that all workers adhere to legally mandated working hours, including overtime regulations and rest periods. The policy is reviewed annually by the management team, signed by the General Manager, and governed by the company's Human Resources Management procedure. The policy states that workers are entitled to fair working hours and breaks, but it does not explicitly outline a clear process for addressing potential violations, such as excessive overtime. 2)Resources: The General Manager is central to enforcing this policy, being ultimately responsible for its implementation, resourcing, and regular review. Departmental supervisors are tasked with executing the Working Hours Policy across all business units, ensuring compliance with legal working hour limits and addressing any overtime issues, including ensuring that no employee is working more hours than permitted by law. The management within the company is well and thoroughly aware of the specific overtime hours clearly stipulated by the relevant labor laws. Nevertheless, considering the pressing order requirements from clients which often involve tight deadlines and substantial production volumes, workers need to work overtime to ensure the timely fulfillment of these orders. 3)Training and communication: Employees are trained during the on boarding process about the factory's working hour policies. Regular communication channels, such as team meetings, bulletin boards, and internal messaging systems, are used to remind employees of the working hour limits and to update them on any changes in the schedule. However, there is a minor gap identified that there is no system to ensure that the signatures are from the actual trainees. 4)Monitoring: The Working Hours Policy defines responsibilities for monitoring the implementation of working hour regulations. It requires regular audits of time records to be conducted by the Factory Manager. Records are kept of monitoring activities, and any misapplication of procedures or concerns about application, such as failure to maintain within the legal monthly overtime, are supposed to be reported and addressed in regular management meetings. However, the current situation shows that these mechanisms have not been effective in rectifying the issue of monthly overtime hours being excessive, highlighting the need for a more robust and restrict enforcement and follow-up system.

← Code area 5.A

Code area 7 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601099500

← Code area 5.A
Code area 7 →

Systems and evidence examined to validate this code section	Current systems: 1. The working hours were recorded by face or fingerprint scan system, and employees could report to the HR department if the time records were wrong. 2. The attendance records from September 1, 2024 to the audit date were provided and sampled. 3. The working hour policy and labour contracts indicated that the regular working hours in the factory were 8 hours per day and 5 days per week. 4. The factory arranged the production according to the orders, so there was no fixed peak or non-peak seasons. 5. There were two shifts for blowing workers: 7:30-15:30, 15:30-23:30 and one shift for other workers: 8:00-12:00 14:00-18:00. Overtime hours were 2 hours on weekdays and 8 hours on Saturday if needed. 6. All the employees during workers interview stated that they worked overtime on voluntary basis. 7. The maximum weekly working hours were 52 hours. 8. The maximum overtime hours were 12 hours per week which happened in all 3 sampled months, the monthly overtime hours were exceed 36 hours in each month, and the maximum monthly overtime hours were 56 hours in November 2024 and March 2025. 9. All workers had one day off in seven days. 10. Through the workers interview and document review, all production records, leave records and information obtained from the interview were consistent with the provided attendance records. 11. The factory established working hours and overtime management procedures that ensure working hours meet the international labour standards and national regulation. Evidence examined – to support system description: 1. Policy on working hours 2. Laws and regulations 3. Labour contracts 4. Attendance records 5. Attendance system 6. Production and quality records to cross check hours 7. Procedure regarding working hours and overtime control 8. Management interview and worker interview

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601099500

Non-compliance

Due 2025-11-15

Code area

6 Working hours are not excessive

Workplace requirement

6.F Ensure that where overtime is used, it is in order to manage changes in demand or in exceptional circumstances and not used to replace regular employment.

Issue title

480 - Overtime is not used responsibly (i.e. extent, frequency and level of hours worked by individual workers and/or whole workforce are excessive)

Description

During the review of payroll and time records in 12 months from September 2024 to August 2025 , it was noted that all sampled workers' (covering all positions) monthly overtime working hours were not in line with the requirement of local law (36 hours per month). In details: In August 2025 (current month): 11 out of 11 selected employees in production sections had worked 40-54 overtime hours per month. In March 2025 (random month):11 out of 11 selected employees in production sections had worked 40-56 overtime hours per month. In November 2024 (random month): 11 out of 11 selected employees in production sections had worked 40-56 overtime hours per month.
根据工厂提供的从2024年9月到2025年8月的考勤记录显示，所有抽样员工(覆盖所有岗位)的月加班超法规要求的36小时,详情如下：2025年8月（当前月）：生产部门的11名抽样员工每月加班40-54小时。2025年3月（随机月）：生产部门的11名抽样员工每月加班40-56小时。2024年11月（随机月）：生产部门的11名抽样员工每月加班40-56小时。

Corrective and preventative actions

The factory should ensure all workers' monthly overtime hours are in line with the requirement of the local law.
工厂应确保所有工人的月加班时间满足法规要求。

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 6

Code area 7 →

Local law reference

Labor Law of the People's Republic of China (2020 Amendment), Article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours. 中华人民共和国劳动法（2020修正）第四十一条用人单位由于生产经营需要，经与工会和劳动者协商后可以延长工作时间，一般每日不得超过一小时；因特殊原因需要延长工作时间的，在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时，但是每月不得超过三十六小时。

* PDF generated at 23:06 (UTC) on 16 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	100% of workers were paid for overtime wages as local law together with normal wages on a monthly basis. In addition, the factory paid 150%, 200% of normal wage for overtime on weekdays and rest days for employees, and no working overtime on public holidays, which was higher than 125% overtime premium, so there was no other consideration.
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	52.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	52.0
Maximum number of days worked without a day off in sample	6

← Code area 6

Code area 7 →

7. No discrimination is practiced

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 6

Code area 8 →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory has established a Non-Discrimination Policy, which is strongly supported by top management. This policy is designed to ensure that all employment practices are fair, inclusive, and free from discrimination based on race, gender, age, religion, regional, or other protected characteristics, particularly in a workforce with a significant employee source regional imbalance and Gender imbalance. The policy is reviewed annually by the management team, signed by the General Manager, and governed by the company's Human Resources Management System procedure. 2)Resources: There was a responsible person General Manager available to ensure the implementation of the policies and was very much aware of the policies. Regular training was available to ensure the management meet the requirements. General Manager had enough power to facilitate the implementation of these policies. 3)Communication & Training: The factory had developed an annual training plan and trained employees according to the plan. The training records were provided for review. Training at site was governed by a training procedure which was the specific responsibility of the Training Personnel. Employees interviewed were aware of no discrimination policies and stated that they were equally treated. 4)Monitoring: Channels were provided for employees to report discrimination issues. The factory continuously monitors the effectiveness of these procedures through regular monitoring and internal audits and takes active actions for the non-compliance raised during the internal audits. Effective monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis. Management System Grade was robust Management System for each part according to the performance operated by the factory on this section of “No discrimination is practiced”.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 6

Code area 8 →

No findings

Systems and evidence examined to validate this code section	Current systems: 1 The Anti-discrimination policy and social accountability manual had been established by the factory. 2 One senior manager was responsible for the management of this item of the code. 3 The factory provided the same pay to male/female employees, if they engaged for the same work. 4 All interviewees stated they were treated fair despite of their native place, sex, age and so on. And they did not experience and never heard of reporting issues of discrimination. 5 There was no discrimination in hiring, compensation, access to training, promotion, termination or retirement. 6 No worker was required to do the examination of the hepatitis B virus and HIV. 7 Written anti-discrimination procedure on hiring, compensation, promotion, training, etc. was provided for review. 8. Documents review, and worker and management interview show that there is a committed equity approach in recruitment, training, development, and promotion. In recruitment, fair practices are used. For training, needs - based programs are available for all. In development, reviews and plans support growth. In promotion, a transparent merit-based system is in place. Evidence examined: 1. Anti-discrimination policy was reviewed. 2. Employment contracts were provided for review, and they showed that male and female employees are on the same pay grade. 3. Factory tour. 4. Management interview and employee interview.

← Code area 6

Code area 8 →

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	40%
Representation of women in managerial roles (ratio of women workers to women managers)	11%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	7%
Three most common nationalities in managerial and supervisory roles	Chinese 100%

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

← Code area 7

Code area 8.A →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory has established a Regular Employment Policy, which is strongly supported by top management. This policy is designed to ensure that all workers are provided with stable and predictable employment arrangements, including clear terms of employment and access to benefits, particularly in a workforce with a significant employee source regional imbalance and Gender imbalance. The policy is reviewed annually by the management team, signed by the General Manager, and governed by the company's Human Resources Management System procedure. The policy states that all workers are entitled to regular employment and confirm that the factory does not employ contract, temporary, or apprentice workers. 2)Resources: The factory appointed the General Manager responsible for recruitment and age verification of workers. The General Manager handled the on-boarding and off-boarding procedures for workers. Responsible for communicating with workers about the discipline and regulations of the factory. At the same time, General Manager need to protect the legitimate rights and interests of workers from infringement. 3)Communication & Training: New employees were required to attend on-boarding training from the Administrative department which included employment management procedure. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone, including employment management procedure. The policy was trained to every employee. But not all the areas were included, such as labor agency management policy. 4)Monitoring: The factory recruited workers through advertising, worker recommendations, and the human resources market. There were no temporary workers or dispatched workers in the factory. The interviewed workers were hired after seeing the advertisement and going to the factory for an interview and others were recommended by friends of family members. They hadn't heard of the factory hiring temporary workers or recruiting workers through other ways. The General Manager was a responsible person to check the employment contracts and conducts workers' interviews to ensure that workers are aware of their rights. However, the current monitoring process was not linked with the grievance process.

Summary of findings

← Code area 7   Code area 8.A →

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current Systems: 1. All employees were recruited by the factory directly. 2. No labour agency was used to hire workers. No temporary worker, apprenticeship schemes or home workers were identified. 3. The factory signed labour contracts with all workers when they joined the factory within one month, and one copy would be provided to them. 4. All legally required items were contained in the contracts and no negative evidence was identified in labour contents between workers and the factory. 5. The factory kept all workers' personal files and contracts for review. The factory established employment procedure for workers' recruitment. Evidence examined: Details: 1. Hiring policy/procedure 2. Employee list/ personal files/ labour contracts 3. Recruitment posters 4. Management/ worker interviews

← Code area 7

Code area 8.A →

8. Regular employment is provided

Data points

Percentage of workers that are permanently or temporarily employed	100.0%
Percentage of workers that have been engaged via irregular, sub-contracted or non-employment models of labour, rather than permanent or temporary contracts of employment	0.0%
Percentage of workers employed as apprentices, trainees or interns	0.0%

← Code area 8 Code area 8.A →

8.A. Sub-contracting and homeworkers are used responsibly

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 8

Code area 9 →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory established supplier management procedure. The procedure stipulated that the factory would purchase raw materials from its approved suppliers. The subcontractor or homeworker were not allowed by the factory and its customers. The procedures were compiled by the Administrative department, reviewed by the Administrative Manager, and approved by the General Manager. 2)Resources: The factory appointed the Purchase Manager responsible for supplier management. The Purchase Manager needs to conduct an annual social responsibility assessment of suppliers to confirm that the factory's suppliers had not engaged in unethical behavior (such as using child labor, abusing workers, harassing workers, discriminating against workers, forcing workers to work, etc.). And the factory did not allow the use of subcontractors and domestic workers. 3)Communication & Training: The supplier of the factory had signed the factory's social responsibility code of conduct, promising not to engage in unethical behavior. The factory conducted an annual social responsibility assessment of suppliers, and only suppliers with a total score of 80 or above could cooperate with the factory. The factory would send the training materials of the brand customer to its suppliers, urging them to learn and ensure compliance with the brand customer's requirements. However, it's recommended to communicate the policy to all suppliers through posting it on the announcement board. 4)Monitoring: The factory management refused to use subcontractors and homeworkers because it did not meet the requirements of the factory's customers. According to the workers interview, all processes were finished in the factory by them. They had not heard the factory used subcontractors and homeworkers. It's confirmed by the production records provided by the factory.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

← Code area 8
Code area 9 →

Systems and evidence examined to validate this code section	Current Systems: 1. The factory has established subcontractor management procedures, there were no home workers found during this audit. 2. If the client's products need subcontractors, the factory would inform the client, no inconsistent evidence was detected regarding this section. 3. Based on the site tours, the factory had all kinds of equipment to produce customers' products, and all the production processes were completed on site. 4. By checking the production records, quality records, warehouse records and order information, no subcontractor was used by the factory. Evidence examined: Details: 1. List of approved suppliers 2. Production records 3. Quality records 4. Warehouse records 5. Customer orders 6. Interview with management and workers 7. Site tours 8. Visitor/vehicle logs

← Code area 8

Code area 9 →

8.A. Sub-contracting and homeworkers are used responsibly

Data points

Are homeworkers employed directly or engaged through an agent?	Not applicable
Gender disaggregated data available	

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?	
Are full records of homeworkers available at the site?	
Does the supplier buy products or services from suppliers that use homeworkers?	No No homeworker was used by the factory and its suppliers.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?	No No sub-contracting was used in the factory.

← Code area 8.A

Code area 9 →

Are any sub-contractors used?	No

[← Code area 8.A](#) [Code area 9 →](#)

9. No harsh or inhumane treatment is allowed

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 8.A
Code area 10.A →

Management systems

Explanation for management systems grades	1)Policies and Procedures: Robust The anti - abuse policy explicitly prohibits any form of physical, verbal, or psychological abuse, including bullying, harassment, and excessive punishment. There are detailed procedures for reporting such incidents, which are designed to be easily accessible to all employees, particularly in a workforce with a significant employee source regional imbalance and Gender imbalance. For example, there are multiple reporting channels, such as suggestion box and in - person reporting to supervisors or the human resources department. The policy also outlines strict disciplinary actions for perpetrators found guilty of such behavior to act as a deterrent. 2)Resources: There was responsible people General Manager available to ensure the implementation of the policies, and regular external or internal training was available for them to ensure the management meets the requirements. They utilized their knowledge to develop effective processes. They had the power to allocate resources and provide support to promote effective implementation of the policies. It can be effective in the management structure to achieve compliance sustainably over time. 3)Training and communication: The factory had developed an annual training plan and trained employees according to the plan and evaluated the effectiveness of employee training. Employees were aware of no harsh or inhumane treatment policies. Employees interviewed all confirmed that there were no harsh or inhumane treatment issues in the factory. 4)Monitoring: Robust The factory continuously monitored the effectiveness of these procedures through regular monitoring and internal audits and takes active actions for the non-compliance raised during the internal audits. The channels were provided for employees to report relevant issues to the senior management. Management System Grade was robust Management System for each part according to the performance operated by the factory on this section of “No harsh or inhumane treatment is allowed”.

Summary of findings

← Code area 8.A

Code area 10.A →

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current Systems: 1. The factory management has established a disciplinary procedure for workers'misbehavior which included oral warning, written warning and finally termination. 2. The factory has developed a training program for all employees on disciplinary procedure. 3. Based on worker interviews, it was noted that workers were aware of the disciplinary procedure. 4. There was an internal process for grievance such as an anonymous suggestion box, where workers could report any grievances (harassment, bullying, discrimination, etc.). 5. Any complaint received would be handled by the management without any reprisal for the worker in question. Evidence examined: Details: 1. No Harsh or Inhumane Treatment statement and policy 2. Grievance reporting/handling policy 3. Disciplinary policy/procedure and records 4. Suggestion/comment box check/filing records 5. Management/ worker interviews.

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	Yes, there is a formal grievance process The grievance process is available to all workers The grievance process is available to members of the local community
What type of grievance mechanism(s) are available?	Suggestion box, management staffs, worker representative, email, Wechat, etc. For details, there were 2 points below: 1) The employees could raise their complaints directly to management staffs, worker representative, or put letters in suggestion box to state their opinions and suggestions, and then management staffs would post corresponding feedback on the bulletin board. Besides, the workers could report to the local authority departments such as local labour bureau If the violations occurred in the factory. 2) External stakeholders (including the local communities, government agencies, suppliers, surrounding factories and NGO) could raise their grievances through the company' s public contact information, such as hotline and email, management staffs would deal with it timely.
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

← Code area 9

Code area 10.A →

10.A. Environment 2-Pillar

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

← Code area 9

Code area 10.B →

Management systems

Explanation for management systems grades	1)Policies & Procedures: The factory established EHS procedure which stipulated that the factory must ensure that its environment complied with local legal requirement, and safeguard the health and safety of workers, including but not limited to obtaining legal permits and certificates, operating in accordance with legal and regulatory requirements, and not discharging pollutants exceeding the limit into the surrounding environment. The procedure was compiled by the EHS department, reviewed by the EHS Manager, and approved by the General Manager. 2)Resources: The factory appointed the General Manager to be responsible for environment, health and safety issues. The General Manager Manager needs to establish a list of environmental permits and ensure that all documents were valid. However, the General Manager was not familiar with knowledge of clean energy and sustainable development. 3)Communication & Training: New employees were required to attend on-boarding training from the EHS department which included EHS procedure. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone, including EHS procedure. However, workers were more concerned about their own income situation and only followed the factory's training to implement the system. The workers were not concerned about whether the factory used some environmental protection facilities and had no understanding of ESG. 4)Monitoring: The factory management attached great importance to environmental safety, especially environmental safety accidents. Local government departments would come to the factory without notice for inspection. If major problems or accidents occurred, the factory would face administrative penalties from the local government, including but not limited to warnings, fines, rectification, and suspension of business for rectification. According to document review, the factory had valid reports and certificates, the annual monitoring report for waste air, waste water and noise and etc. The factory's current environmental actions were only at the level of complying with national laws and regulations. It was still in the exploratory stage and had not taken any practical actions in the areas of independent carbon footprint research, and the replacement of traditional energy with clean energy.

← Code area 9

Code area 10.B →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

Systems and evidence examined to validate this code section	Current Systems: 1. Based on factory regulation and employee private interviews, the working conditions were well ventilated. 2. The factory has established environmental protection policies to ensure its business model in line with local environmental laws. 3. Mr. Li Jiaqi/General Manager was responsible for implementing these policies. 4. The factory had also collected applicable laws and regulations on environmental protection. 5. Main environmental impact factors have been identified during production activities. 6. The factory obtained EIA(Environmental Impact Assessment Report), EIA approval, Environmental Protection Facility Acceptance Report and Pollution Discharging Permit. Evidence examined: Details: 1. Environment policy, manual & procedures. 2. Training records 3. Management and worker interviews 4. Site tours 5. Environmental related certificate and documents

← Code area 9 Code area 10.B →

10.A. Environment 2-Pillar

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with environmental legislation, regulation, consent or permits (within the last three years)?	No
Does the site have any valid environmental or energy management certificates?	No certificate was obtained.
Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?	No
Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?	No

← Code area 10.A

Code area 10.B →

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current Systems: 1. The factory had the continuous improvement plan for improving their environmental performance. The factory recorded and reviewed the usage and discharge of natural resources. And the factory provided the waste gas, wastewater and noise monitoring report that the monitor happened on June 2025. 2. The factory established environmental management procedures and an environmental management committee to implement the control measures on environment protection. 3. The factory had established an environmental policy, covering their environmental impact, which was communicated to all appropriate parties, including its suppliers. 4. The factory established resource-use targets and a plan to reach them well. 5. The factory provided environment training for relative management and workers per year and kept relative training records. Mr. Li Jiaqi/General Manager was responsible for the environmental management, understood local environment laws and regulations, understood the end clients' environmental standards / code requirements. Evidence examined: Details: 1. Waste gas, wastewater and noise monitoring report 2. Training records on environment 3. Environmental policy 4. Resource-use targets and a plan 5. Record of energy use, hazardous substance use and waste, and effluent discharge.

← Code area 10.A

Code area 10.C →

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Responsible use and management of water Prioritising local suppliers Packaging optimization Sustainable material sourcing
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes The factory had system for managing client's requirements and legislation in the destination countries regarding environmental, such as environmental guideline was in place.
Does the site have reduction targets in place to manage climate related risks?	Yes, to reduce scope 1 greenhouse gases (GHGs) Yes, to reduce scope 2 greenhouse gases (GHGs) Yes, to increase low-carbon energy consumption or production
Are any of these science-based targets?	No, but we anticipate setting one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes The factory provided relevant documents (water consumption and discharge, electricity consumption, waste, and so on) for review during the audit.
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

← Code area 10.B   Code area 10.C →

Usage/discharge analysis

	Last full calendar year (2024)	Previous full calendar year (2023)
Total electricity consumption from non-renewable sources (kWh)	12,658,705	14,569,233
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	607,500	795,000
Usage of other purchased fuels	0	0
Has the site completed any carbon footprint analysis?	No	No
Water sources	local water authority	local water authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	3,214	3,350
Water discharged	Municipal sewage network	Municipal sewage network
Water volume discharged (m3)	73	74
Water volume recycled (m3)	3,136	3,271

← Code area 10.B

Code area 10.C →

Total waste produced (mt)	7.8	8.2
Total hazardous waste produced (mt)	0.1	0.1
Waste to recycling (mt)	1.8	1.8
Waste to landfill (mt)	0	0
Waste to other (mt)	5.9	6.3
Total product produced (mt)	8,500	8,000

← Code area 10.B

Code area 10.C →

10.C. Business ethics

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

← Code area 10.B

Management systems

Explanation for management systems grades	1)Policies and Procedures: The factory has developed written business ethic policies, which set forth that the auditee forbids any act of corruption, extortion or embezzlement or any forms of bribery during business activities. The policies were regularly reviewed and updated. Employees have access to these policies. The factory Policies and procedures were appropriate for the site context and were very likely to lead to sustainable compliance with the Base Code Area now and over time through regular review. 2)Resources: There was responsible people General Manager available to ensure the implementation of the policies, and regular external or internal training was available for them to ensure the management meets the requirements. They utilized their knowledge to develop effective processes. They had the power to allocate resources and provide support to promote effective implementation of the policies. 3)Training and communication: The factory has developed an annual training plan and trained employees according to the plan and the training records were provided for review. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone, including Anti Bribery Management Procedure. However, the factory did not verify the effectiveness of the training. 4)Monitoring: The management team regularly conducted meetings in terms of business ethic issues and figured out business ethic risks associated to its production activities, key positions (such as sales, quality control, purchase, finance, warehouse and others) and worked out relevant precautionary measures. The factory continuously monitors the effectiveness of these procedures through regular monitoring and internal audits and take active actions for the non-compliance raised during the internal audits. However, not all the areas of business ethics were contained in internal audit, such as business ethics forms.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

← Code area 10.B

Systems and evidence examined to validate this code section	Current Systems: 1. Mr. Li Jiaqi/General Manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and / or bribery. 2. The company established business ethics policy, which met national regulations /law concerning the relative standards. 3.The business ethics policy was communicated to workers through posters and training. 4.The site had received the Business Ethics policy of the auditor/audit company. 5.There was an internal grievance process, and there was a suggestion box sited in the workshop. 6.The factory also communicated the company's business ethics policies to stakeholders. The factory has appointed one administrator to receive complaints and suggestions from stakeholders through direct telephone, exclusive email or letter. 7.No integrity case was detected during this audit. 8.The factory was not subject to (or pending) any fines/prosecutions for noncompliance to Business Ethics Regulations. Evidence examined: Details: 1.The company business ethics policy; 2.Position description 3.Training records 4.Worker handbook 5.Interview with management and workers 6.Supplier list 7.Complaint/appeal/grievance record

← Code area 10.B

10.C. Business ethics

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with business ethics legislation, regulation, consent or permits (within the last three years)?	No
Provide any certified anti-bribery management systems for the site	1. There is no such certification in place. 2. The factory had a Business Ethics Policy and training records were maintained. 3. The factory had provided training to all employees.

← Code area 10.C

Attachments

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