

Sedex Members Ethical Trade Audit Report

Version 7



Contents

[Audit content](#)

[Audit and site details](#)

[Audit parameters](#)

[Audit attendance](#)

[SMETA declaration](#)

[Summary of findings](#)

[Management systems](#)

[Site details and data points](#)

[Site details](#)

[Worker analysis](#)

[Worker interviews](#)

[Measure workplace impact](#)

[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](#)

[3. Working conditions are safe and hygienic](#)

[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](#)

[10. A. Environment 2-Pillar](#)

[10.B. Environment 4-Pillar](#)

[10.C. Business ethics](#)

[Attachments](#)

Audit content

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & 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 following Code Areas:

Included in a 2-Pillar audit:

1. Labour Standards Code Areas:
 - 0: Enabling accurate Assessment
 - 1: Employment is Freely Chosen
 - 1.A: Responsible Recruitment & 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
2. Health & Safety Code Area:
 - 3: Working Conditions are Safe and Hygienic
3. Environment Code Area:
 - 10.A: Environment 2-Pillar

Included in a 4-Pillar audit:

1. Labour Standards Code Areas
 - As 2-pillar
2. Health & Safety Code Area
 - As 2-pillar
3. Environment Code Area:
 - 10.A: Environment 2-Pillar
 - 10.B: Environment 4-Pillar
4. Business Ethics Code Area:
 - 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.

Audit and site details

Audit details

Sedex company reference	ZC413111971	Auditor company name	LRQA
Date of audit	2024-11-21	Audit conducted by	Sedex member
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		

Site details

Sedex site reference	ZS413117377	Site name	XXXXXXXXXXXXXXXXXX Co Ltd
Business name	XXXXXXXXXX Co Ltd	Site address	XXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXX CN
Site phone	XXXXXXXX	Site email	XXXXXXXXXXXXXX

Audit parameters

Time in and out	Day 1		Day2	
	In	09:04	In	09:02
	Out	16:07	Out	12:05
Audit type	Full initial			
Was the audit announced?	Semi announced			
Was the Sedex SAQ available for review?	Yes			
Who signed and agreed CAPR?	XXXXXXXX / 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	No trade union was established by the factory.		
Reason for absence during the audit	No trade union was established by the factory.		
Reason for absence at the closing meeting	No trade union was established by the 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)

Audit window: November 20-December 18, 2024

Lead auditor	Shaw Zhang	APSCA Number	32200511
--------------	------------	--------------	----------

Additional auditor

Date of declaration	2024-11-22
---------------------	------------

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	XXXXXXXX
Title	Manager
Date of declaration	2024-11-22

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	§1	NC ZAF600717921

Local law issues

§1 In accordance with Law of PRC on Work Safety article 45. Production and business entities must provide employees with labor protection products that comply with national standards or industry standards and supervise and educate employees to wear and use them in accordance with the rules of use. Article 47, the production and business unit shall arrange funds for the provision of labor protection equipment and safety production training. HJ.s (g: A:!=!cf @O ? i: P > M ? lim, P ? M • m ? ? ? M ? A ? mra ? O O * ? d ? fi ? ? ? %itff, ? ? NdlA ? ? leffltllllilUfij(m, flefflo

Management systems

	Policies and procedures	Resources	Communication and training	Monitoring
1. Employment is freely chosen	0	0	0	0
1.A. Responsible recruitment and entitlement to work	0	0	0	0
2. Freedom of association and right to collective bargaining are respected	0	0	0	0
3. Working conditions are safe and hygienic	0	0	0	0
4. Child labour shall not be used	0	0	0	0
5. Legal wages are paid	0	0	0	0
6. Working hours are not excessive	0	0	0	0
7. No discrimination is practiced	0	0	0	0
8. Regular employment is provided	0	0	0	0

X Not addressed

& Fundamental improvements required

Q Some improvements recommended

0 Robust management systems

	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly	0	0	0	0
9. No harsh or inhumane treatment is allowed	0	0	0	0
10.A. Environment 2-Pillar	0	0	0	0
10.C. Business ethics	0	0	0	0

X Not addressed

& Fundamental improvements required

Q Some improvements recommended

i Robust management systems

Site activities

Site activities	Primary	Manufacture of other fabricated metal products n.e.c.
	Secondary	
	Other	
Product type	Aluminum bottles and plastic bottles.	
Process overview	The factory specialized in the manufacturing of Aluminum bottles and plastic bottles. The main production processes included: Aluminum bottles line: Metal processing, cleaning, polishing, painting, printing, assembly, Inspection and packing; Plastic bottles line: injection, printing, assembly, Inspection and packing. The main machine list of the factory were metal processing machines, cleaning machines, polishing machines, painting machines, injection machines etc.	
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?	Yes	
What is the area of audited site to its boundary?	11200m ²	
Building 1	Last construction works on site	2024
	If building is shared, provide details	There were walls between the auditee and another factory named "Zhejiang Dongjiang Industry and Trade Co., LTD" in the shared production building. Those 2 companies in shared building had separate business licenses and independent management system, workers were not exchanged among those companies. There is no business relationship among them.
	Number of floors	4
	Description of floor activities	1F: Injection, metal processing and cleaning workshops 2F: Finished products warehouse and office rooms 3F: Printing, assembly, inspection and packing workshops, Warehouses 4F: Polishing and painting workshops

Site scope

Is there any difference between the site score 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

Does the site organise worker transport to the worksite? Not provided
No transport was provided for workers.

Work patterns

Approximate workers on site per month (% of peak)	January	95-100%	February	95-100%
	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 or back shift work at the site? No

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact? No

Site assessments

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

The factory has conducted those negative impacts assessment each year in their internal audit.

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?

Yes

The factory had established and implemented Human Rights Impact Assessment system and conducted the HRIA once per year in their internal audit.

Worker analysis

Gender disaggregated data available

Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	24 (29.6%)	57 (70.4%)		81 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	24 (29.6%)	57 (70.4%)		81 (100%)
Temporary or fixed term employees	0 (0%)	0 (0%)		0 (0%)
Agency or subcontracted workers	0 (0%)	0 (0%)		0 (0%)
Seasonal workers	0 (0%)	0 (0%)		0 (0%)
Self-employed workers	0 (0%)	0 (0%)		0 (0%)
Informal workers including home workers	0 (0%)	0 (0%)		0 (0%)
Apprentices, trainees or interns	0 (0%)	0 (0%)		0 (0%)

* % of total workforce

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	21 (25.9%)	55 (67.9%)		76 (93.8%)
International migrant workers	0 (0%)	0 (0%)		0 (0%)
Total migrant workers	21 (25.9%)	55 (67.9%)		76 (93.8%)

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from

The ethnic background of all management and production workers was mainland Chinese and 94% workers migrated from other China provinces such as Guizhou, Yunnan and Sichuan, etc.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	2 (2.5%)	4 (4.9%)		6 (7.4%)
15 - 17 years old	0 (0%)	0 (0%)		0 (0%)
Under 15 years old	0 (0%)	0 (0%)		0 (0%)

* % of total workforce

Is the worker analysis data relevant for peak season and current to the audit? No

Describe how this may vary during peak periods There was no obvious peak or non-peak month in the factory.

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	30%	70%		100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 (0%)	0 (0%)		0 (0%)
Workers paid based on a mix of 'piece work' and hourly rate	0 (0%)	0 (0%)		0 (0%)
Workers paid hourly/ daily rate	24 (29.6%)	57 (70.4%)		81 (100%)
Salaried workers	0 (0%)	0 (0%)		0 (0%)

* % of total workforce

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 (0%)	0 (0%)		0 (0%)
Paid weekly	0 (0%)	0 (0%)		0 (0%)
Paid monthly	24 (29.6%)	57 (70.4%)		81 (100%)
Other	0 (0%)	0 (0%)		0 (0%)

* % of total workforce

If other payment cycle entered, please provide details N/A

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	2 (2.5%)	(1.2%)		3
Supervisors or team leaders	(1.2%)	2 (2.5%)		3
Administrative staff	0 (0%)	2 (2.5%)		2

Worker interview summary

Gender disaggregated data available	Men and women
Which methods of worker engagement were used?	Group interviews Individual 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 of 5			
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			
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) Nil
What did the workers like the most about working at this site?	Training and development Equal opportunities Freedom of movement Work environment - comfort (e.g. temperature, noise or dust levels) Pay Contracts Hours worked, rest days or breaks Social activities and events Job security Overtime Social dialogue (e.g. freedom to associate) Communication (e.g. from management) Social benefits & insurance (e.g. ability to book annual leave, maternity leave, pensions etc.) Work atmosphere (e.g. treatment by supervisors) Diversity Grievance mechanisms
Additional comments	10 workers (8 females, 2 males) were selected from different departments including: : Aluminum bottles line: Metal processing, cleaning, polishing, painting, printing, assembly, Inspection and packing; Plastic bottles-line: injection, printing, assembly, Inspection and packing sections for confidential interviews. Of the 10 workers interviewed, 5 workers were interviewed individually, and 5 workers was interviewed in 1 group with the intent of making them feel more comfortable in the factory workshops and meeting room. In general, all workers seemed uncomfortable talking with LRQA staff and provided very consistent answers to all questions. They all claimed to be satisfied with the working condition in this factory and could receive the wages before the end of the following month by bank transfer.
Attitude of workers' committee/union representatives	The worker representative attended the whole assessment process. They were open to assessor. They stated that they were elected by workers. Workers could raise suggestion or complaint through workers representative meeting. They would participate in grievance solution.
Attitude of managers	The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they had implemented a Health & Safety committee to take care of health and safety concerns. The factory management agreed that the auditor could access to all facilities, compound documents and records requested by the audit; to take photo of the factory, to copy relevant document records and conduct confidential worker interview. During the audit, management showed they were willing to gradually improve all issues found on-site.

Workers interviewed by type

	Total
Permanent workers	10
Temporary or fixed-term employees	0

Workers interviewed by type

Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	10

Workers interviewed by group/individual

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

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	2	6		8
International migrant workers interviewed	0	0		0
Total migrant workers interviewed	2	6		8

Measuring workplace impact

Gender disaggregated data available

Men and women

Annual worker turnover(%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%		2.0%
Last full calendar year (2023)	1.0%	1.0%		2.0%
Previous full calendar year (2022)	1.0%	1.0%		2.0%

* 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)	1.0%	1.0%		2.0%
Last full calendar year (2023)	1.0%	1.0%		2.0%
Previous full calendar year (2022)	1.0%	1.0%		2.0%

* Number of days lost through job absence in the year, calculated as (the number of employees on 1st day of the year+ number employees on the last day of the year)/ 2)* number available workdays in the year*100

Are accidents recorded?

Yes

No accident occurred in the factory during last year.

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

Men	Women	Other	Total
-----	-------	-------	-------

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

Last full quarter (90 days)	0.0%	0.0%	0.0%
Last full calendar year (2023)	0.0%	0.0%	0.0%
Previous full calendar year (2022)	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 (2023)	0.0%	0.0%		0.0%
Previous full calendar year (2022)	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 standard hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%		0.0%
Last full calendar year (2023)	0.0%	0.0%		0.0%
Previous full calendar year (2022)	0.0%	0.0%		0.0%

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

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%		0.0%

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

Last full calendar year (2023)	0.0%	0.0%	0.0%
Previous full calendar year (2022)	0.0%	0.0%	0.0%

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Items and evidence examined to validate this code section	<ul style="list-style-type: none"> •Employee Handbook •Business license •Factory Manual contains details of Code and labour standards required by local law and customers. •Training records of social compliance •Social standard and procedure 		

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

Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review? No

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

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

- The factory established the policies and procedures for prohibit used prison labour and forced labour.
- The factory established a policy and procedure to ensure employment is freely chosen. The policy includes the following clause: the facility does not require deposit or withhold employees' ID cards; the facility does not limit the employees' freedom; there is no forced, bonded or involuntary prison labour; and employees are free to leave their employer after reasonable notice.
- The factory appointed responsible person Mr. Cheng Yuqian/Manager to ensure that employment is freely chosen and prohibit used prison labour and forced labour.
- A non-formalised application states that workers must present their ID's for proof of age but that only copies must be kept in the personnel files and the original given back to the workers. The employee handbook - given to new joiner's states that: Workers can leave with 3 days' notice with no penalty when in probation period but once permanent (this is out of probation) they must give one month written notice.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of the procedures on prohibits used prison labour and forced labour, freely choose employment. The last training was on September 23, 2024.
- Training on relevant policies and procedures were provided for all employees at the time employee, and re-fresh training was conducted once per year for all employees. The latest internal audit documents dated March 7, 2024.
- The procedures on prohibits used prison labour and forced labour, freely choose employment were implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

Systems and evidence examined to validate this code section

- Based on the documents review and workers interview, there was no bonded or involuntary prison labour in the factory and workers are free to leave their employment after reasonable notice. Factory established the procedures for prohibit used prison labour and forced labour.
- The facility's policy to ensure employment is freely chosen was reviewed. The policy includes the following clause: the facility does not require deposit or withhold employees' ID cards; the facility does not limit the employees' freedom; there is no forced, bonded or involuntary prison labour; and employees are free to leave their employer after reasonable notice.
- Labour contracts with notice periods
- Training of forced, bonded or involuntary prison labour for all employees at the time employee, and re-fresh training was conducted once per year for all employees. The last training was on September 23, 2024.
- As per workers interview, it was noted that they are free to leave their working stations once their shifts end and it was full access to toilet and drinking water at working time; all overtime workings were voluntary; and they are not required to pay any 'deposits' or leave their ID cards.

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

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

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

- The factory has established recruitment policy and procedure. The policy and procedure state that the HR staff must review the original photographic identification to validate that all workers have the legal right to work.
- XXXXXXXXXX/Manager was the appointed responsible person for recruitment.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). HR staff was aware of recruitment policy and procedure and local law concerning recruitment.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of recruitment procedure.
- The recruitment procedure was implemented properly.

Summary of findings

Code area

Workplace requirement

Local law

Finding

No findings

Systems and evidence examined to validate this code section

- A policy which prohibits forced labour was available for review.
- A non-formalized application states that workers must present their ID's for proof of age but that only copies must be kept in the personnel files and the original given back to the workers.
- The employee handbook - given to new joiner's states that: Workers can leave with 3 days' notice with no penalty when in probation period but once permanent (this is out of probation) they must give one month written notice.
- They will be given their full wages on their last day of work.
- The workers are free to leave the workplace outside of their working hours.
- The above was confirmed by management and the employees' interview.

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 (including 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
Percentage of workers that are migrant	94%
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	The ethnic background of all management and production workers was mainland Chinese and 94% workers migrated from other China provinces such as Guizhou, Yunnan and Sichuan, etc.

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

There was no such cost during employment as per interview.

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

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

- The facility has a written policy and procedure of freedom of association and right to collective bargaining. The policy and procedure state that the workers are free to form or join trade union or workers' organisation and enjoy the right to collective bargaining, and nobody will be treated differently if they are members of the trade union or workers' organisation, etc.
- XXXXXXXXXX/Manager was the appointed responsible person for freedom of association and right to collective bargaining.
- There was no trade union in the facility. One worker committee with one worker representative was established in the factory. No collective bargaining agreement in place.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). Worker representative was aware of the rights and responsibilities.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of freedom of association and right to collective bargaining procedure.
- The freedom of association and right to collective bargaining procedure were implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

**Systems and evidence examined to
validate this code section**

- Policy of freedom of association and right to collective bargaining
- Policy about suggestions and appeals
- Worker representatives' selection records and meeting records
- Response records for workers' suggestions and appeals
- Interviews with worker representative, management and workers

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?	Not Applicable
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

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

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

Some Improvements Recommended

Explanation for management systems grades

- The factory has established Health & Safety policy and procedure including general Health and Safety management system, occupational Health & Safety, fire safety, electrical safety, chemical safety, medical services and emergency response plan etc.
- Mr. Cheng Yuqian/Manager is responsible for Health & Safety in the facility. He received the sufficient training on safety management and has obtained the certificate of safety management personnel as per legal requirement.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). The general Health & Safety and occupational Health & Safety policies and procedures were posted on the workshop for worker's review. Employees' manual also covered the EHS policies.
- The facility generally provided an adequate work environment and maintains a comfortable temperature throughout. The factory posted the evacuation plans at work floors, which indicates escape routes. There were at least 2 exits from each work area and these were clearly marked. The facility has provided enough fire extinguishers in all working sections. A functional fire alarm system can be found in the facility. Fire drills were organized and recorded every 6 months. Drinking water was provided and installed in workshops. Sufficient and proper supplies/items were stocked in all of the first aid kits.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of Health & Safety procedure. However, through onsite observation, documents review, and management interview, the factory management did not notice the issue on PPE safety in the latest inspection. Hence, the Health & Safety procedure was not implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	§1	NC ZAF600717921

**Systems and evidence examined to
validate this code section**

- Fire-fighting equipment inspection and maintenance records
- Fire safety approval/registration
- Construction safety inspection reports
- Chemical safety training, Chemical list and MSDS for each chemical
- PPE training
- License for special operation
- Registration of special equipment
- Inspection certificate of special equipment
- Certificate of special equipment operator
- Fire drill records
- First aider certificates
- Drinking water testing report
- Interviews with EHS manager

Findings: non-compliances

ZAF600717921

Non-compliance

Due 2024-12-29

Code area

3 Working conditions are safe and hygienic

Status

Open*

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).

Time given to resolve

30 days

Issue title

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

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Description

It was noted that the factory had provided safety goggles to its employees in the polishing section on the 5th floor of production building. However, 2 out of 8 employees did not use them.
ttJJt:xaHti1Jq:i, \$1tD3.£1.!!\N, et FH.'..li til/Jnl:i 5:'(d;d7:f?ElHt, 1!!8:gD3_lq:i2:g59:1fflo

Corrective and preventative actions

It is recommended that factory shall provide regular PPE training to workers, conduct regular PPE safety inspection at workplace, and develop and implement a Personal Protective Equipment (PPE) program to protect employees from workplace hazards that may cause bodily injury.
SII,illli.MtiAJi15jn;/JIIj:f?fi t)II, JttfiJEJtlI5jQ.JIIJJ:f?ff i:b. L5jn1JIIJJf?ff i1-).
IIJJ.Lti.A. iIHMo @ tiffitt A:iHtfl1JUUD1fffl7- _A5jn;/JIIJJ:f?ff i1 @ i'. [5jn;/JIIJJ:f?ff i7J1-)f?H?IA rYIIJJJl '1'J=:ijJ=ifi19J3o

Local law reference

In accordance with Law of PRC on Work Safety article 45. Production and business entities must provide employees with labor protection products that comply with national standards or industry standards and supervise and educate employees to wear and use them in accordance with the rules of use. Article 47, the production and business unit shall arrange funds for the provision of labor protection equipment and safety production training.
tiU!iS ((q:i,A t1::J=H OQ:i: F5!)) ffl1ZY+.li1k, F££*1li'lt", iii:'.8fAJiAD3.m1M-J-is-OO tff->i=iH'r Hf->i5jn;/JIIJJ:f?ff i, fl: ti, ttMJ1.A.D3.fti1fmiUU1JUut, 1fflo

Evidence



[No safety goggles.jpg](#)

r1'

* PDF generated at 16:00 (UTC) on 29 Nov 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

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 Hazardous chemicals such as lubricating oil and Thinner were handled by workers, but the factory provided the relevant PPE for workers, and they all used appropriate PPE properly.
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?	Not applicable
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable The factory has obtained valid structural permit and inspection report for their buildings as per local law.
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
Does the site have a structural engineer evaluation?	Yes

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

Explanation for management systems grades

- The facility has a written policy and procedure of recruitment and child labour and related protection policy and procedure of Young workers. The recruitment policy and procedure state that the factory would verify all workers' original ID cards at the time of recruitment and keep the photocopies of ID cards in the personnel files. Each employee file includes a bio-data sheet, a recent photo and the age documentation, which is in the form of photocopied national identification card.
- Mr. Cheng Yuqian/Manager was the appointed responsible person for recruitment and child labour.
- No underage workers were working at the factory currently.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). HR staff was aware of recruitment policy and procedure and local law concerning legal age of employment.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of recruitment, child labour and relevant young workers procedure.
- The recruitment, child labour and relevant young workers procedure were implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

**Systems and evidence examined to
validate this code section**

- Personnel files of all sampled workers
- Latest list of employees
- ID copies of all workers
- Factory tour, young looking workers were invited for individual interview and interview responses Correspondence with the maintained personal records and age proof documents. And there were no underage workers being found at the time or audit.

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	7%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	21
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%
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

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

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

Explanation for management systems grades

- The factory has established wage & benefits policy and procedure including wage, living wage, overtime, social insurance, leaves and benefits etc.
- XXXXXXXX/Manager is responsible for wage & benefits in the facility.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). Responsible staffs (accountant and HR staff) are aware of relevant local law regarding MW, OT wage and social insurance, paid annual leave, sick leave etc.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of wage & benefits procedure. Through documents review, management and workers interview, the factory provided social insurance benefits for all eligible employees which meet the legal requirement. Hence, the wage & benefits procedure was implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Systems and evidence examined to validate this code section	<ul style="list-style-type: none"> • Employee handbook • Wages and benefits policy • Annual leave records • Resigned workers payroll records • Past 12 months payroll and 13 months' & to till the audit date time records • Management interview and workers' interview 		

5. Legal wages are paid

Data points

What is the basic wage paid to workers? The legal minimum wage

Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers? Only digital payments

How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits? I don't know

Worker remuneration

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

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	Non applicable
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	8.0
	Max hours per month	32.0
Minimum legal wage	Min per hour	11.55
	Min per day	92.41
	Min per week	Non applicable
	Min per month	2010.0
Actual minimum wage	Actual per hour	13.22
	Actual per day	105.75
	Actual per week	Non applicable
	Actual per month	2300.0
Minimum legal overtime wage	Min per hour	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	Actual per hour	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	30
Provide the date and details of the records	10 samples from September 2024 (Most current), 10 samples from August 2024 (Random month), 10 samples from November 2023 (Random month)
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

Based on the payroll records and attendance records provided by the factory, workers' minimum wages were paid above the local legal requirement, which was RMB 2010 per month as equivalent to RMB 11.55 per hour since April 1, 2024 and RMB 1840 per month as equivalent to RMB 10.57 per hour before April 1, 2024.

Are there any bonus schemes used?

No

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	Local law	Finding
	No findings		
Items and evidence examined to validate this code section	<ul style="list-style-type: none"> •Employee handbook •Wages and benefits policy •Annual leave records •Resigned workers payroll records •Past 12 months payroll and 13 months' & to till the audit date time records •Management interview and workers' interview 		

6. Working hours are not excessive

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

Explanation for management systems grades

- The factory has established policy and procedure concerning working hours and overtime hours (how to refuse overtime and overtime wage rate etc.).
- XXXXXXXX/Manager is responsible for working hours and overtime hours in the facility.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). HR staff and relevant management/staff are aware of relevant local law regarding overtime hours, overtime wage etc.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of working hours and overtime hours procedure. Through documents review, management and workers interview, the arrange reasonable production plan was noted in this audit, no worker works more than 36hours of overtime a month, and the maximum is 32 hours.. Hence, the working hours and overtime hours procedure were implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

**Systems and evidence examined to
validate this code section**

- Employee interview
- Management interview
- Local and national laws
- Facility policy on working hours
- Attendance records
- Computerized time logging system
- Sample pay slips with recorded hours all workers interviewed
- Workers' contracts
- Attendance records from October 2023 to the audit day
- Quality and production records to cross check working hours.

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?	150%, 200% and 300% of normal rate for overtime hours on normal working days, rest days and public holidays respectively.
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?	48.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	48.0
Maximum number of days worked without a day off in sample	6

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

Explanation for management systems grades

- Anti-discrimination policy and procedure on hiring, compensation, promotion was established in the factory.
- XXXXXXXX/Manager was the appointed responsible person for Anti-discrimination.
- There was an internal grievance process and all interviewees were aware of the grievance channels in case they encountered any discrimination cases.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually).
- The facility conducted internal audit every year to monitor and assessment the effectiveness of Anti-discrimination procedure.
- The Anti-discrimination procedure was implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
-----------	-----------------------	-----------	---------

No findings

Systems and evidence examined to validate this code section

- The hiring and termination procedure, leave application records and employee handbook.
- Payrolls
- Attendance records
- Termination records
- Training records
- Labour contracts

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)?	52%
Representation of women in managerial roles (ratio of women workers to women managers)	1%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	3%
Three most common nationalities in managerial and supervisory roles	N/A. All employees including the management were Chinese.

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

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

- The factory has established recruitment and labour contract management policy and procedure.
- XXXXXX/Manager was the appointed responsible person for recruitment and labour contract management.
- All permanent workers were recruited by the facility directly. Workers did not pay any recruitment fee at any stage of the recruitment process. All workers had signed a labour contract with the facility within 30 days after employment and received a copy of the labour contract. The facility never used any home-workers or agency workers. No apprentice or temporary worker was working in the factory.
- The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually). HR staff was aware of local law concerning above worker pattern.
- The facility conducted internal audit every year to monitor and assessment the effectiveness of recruitment and labour contract management procedure.
- The recruitment and labour contract management procedure were implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Scams and evidence examined to validate this code section

- The hiring and termination policy and procedures
- Personal Tiles
- Payroll records were provided for review.
- Labour contracts
- Management interview and employee interview.

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%

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

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

- The factory has established the policy and procedure to ensure sub-contracting would not be used unless previously agreed with the client. The factory also has established the policy and procedure to ensure homeworkers would not be used.
- XXXX/Manager was the appointed responsible person for managing the sub-contracting and homeworkers.
- No sub-contracting or homeworking was used by this facility.
- The facility provided the relevant training on policy and procedures for sub-contracting and homeworkers to all employees regularly (i.e., upon recruitment and annually).
- The facility conducted internal audit every year to monitor and assess the effectiveness of sub-contracting and homeworkers procedure.
- The sub-contracting and homeworkers procedure was implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Systems and evidence examined to validate this code section	<ul style="list-style-type: none"> •Site tour (Calculation on total production and estimated capacity) •Materials in/out records, daily production records, QC Inspection records. •Management interview •Worker interview 		

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

The factory didn't allow their suppliers to use homeworker as per the policy and no homeworker was noted as per the suppliers' assessment reports.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?

No

There was no such concern as per onsite tour, document review and interview.

Are any sub-contractors used?

No

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

Explanation for management systems grades

- The factory has established an anti-harsh or inhumane treatment policy and procedure. The policy states that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited in this facility.
- XXXXXX/Manager was the appointed responsible person for anti-harsh or inhumane treatment.
- There is an internal process for grievance, which is a suggestion box, where workers can report any grievances (harassment, bullying, discrimination etc.); any received complaint will be handled by management, without any reprisal for the worker in question.
- The facility had developed a training program for all employees on the anti-harsh or inhumane treatment policy and procedure. The facility provided the relevant training to all employees regularly (i.e., upon recruitment and annually).
- The facility conducted internal audit every year to monitor and assessment the effectiveness of anti-harsh or inhumane treatment procedure.
- The anti-harsh or inhumane treatment procedure was implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Systems and evidence examined to validate this code section	<ul style="list-style-type: none"> •The relevant policy on prevention of harassment and abuse. •Internal grievance procedure documentation. •Training records. •Facility tour. •Management and employee interview. 		

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 had been installed in the workshop and workers could also choose to report any concern to manager if needed.

Number of grievances raised in the last 12 months ☐

Number of grievances resolved in the last 12 months ☐

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

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

Explanation for management systems grades

- The facility had established environmental management system, and provided the environmental policy, procedure and documentation (such as environmental certificates, reports and records) for reviewing during the audit.
- XXXXXXXX/Manager was the appointed responsible person for environmental issues who has received relevant environmental management system training.
- There is EHS committee (including management and worker representative) established in the factory, and the EHS committee meeting was conducted every 2 months.
- The facility provided the training regarding the environmental protection policy to all employees regularly (i.e., upon recruitment and annually).
- The facility conducted internal audit every year to monitor and assessment the effectiveness of environmental management system.
- The environmental management system was implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
-----------	-----------------------	-----------	---------

No findings

Systems and evidence examined to validate this code section

- Factory management and worker interview
- Factory tour
- Environmental policy
- Environmental documents

1 O.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?	Nil
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?	Yes The factory has established reduction targets for water consumption and discharge, waste, energy and green-house gas emissions.

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Documents and evidence examined to validate this code section	<ul style="list-style-type: none"> • All legally required environmental documents were provided for review. • Environmental impact report • Environmental project completion acceptance report- Pollutant discharge permit • Hazardous waste disposal records- Environmental policy • Energy bills- Water bill- Renewal energy specification • Worker and management interview- Site tour 		

10.8. 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?	Packaging optimization Prioritising local suppliers Circular economy and resource efficiency Biodiversity and ecosystem impact management Zero-waste and recycling protocols Responsible use and management of water Sustainable material sourcing
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Not Applicable
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 greenhouse gas emissions: (Scope 1, 2 & 3))?	Yes The factory had a continuous improvement plan for reducing environmental aspects. The factory had an annual reduction target for natural resources use and discharge.
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

Usage/discharge analysis

	Last full calendar year (2023)	Previous full calendar year (2022)
Total electricity consumption from non-renewable sources (kWf)	840,000	700,000

Total electricity consumption from renewable sources (kWli)	Data not available	Data not available
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	Data not available	Data not available
Usage of other purchased fuels	Data not available	Data not available
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)	720	680
Water discharged	City pipe network	City pipe network
Water volume discharged (m3)	720	680
Water volume recycled (m3)	0	0
Total waste produced (mt)	25	20
Total hazardous waste produced (mt)	5	4.1
Waste to recycling (mt)	25	20
Waste to landfill (mt)	3	2.5
Waste to other (mt)	2	1.5
Total product produced (mt)	7,200,000	7,200,000

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	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<ul style="list-style-type: none"> •The company established a business ethics policy which was communicated to workers through posters and training. •Mr. Cheng Yuqian/Manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and anti-bribery. •There was an internal grievance process, which was an anonymous email address. •The business ethics system was implemented properly.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Systems and evidence examined to validate this code section	<ul style="list-style-type: none"> •Business ethics policy •Training records •Internal audit records 		

1 O.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) The site defined written policy in place concerning business ethically without bribery, corruption, or any type of fraudulent Business Practice, and the responsible management staff was aware of local laws/ regulations governing environment, keeps the law up to date.
2) The general manager was responsible for implementing standards concerning Business Ethics such as period review the suggestion box and other way.
3) The factory provided related training for HR, sales, QC and so on.
4) The administration manager, Mr. Jason was responsible for Ethics in Current Systems.

Attachments



[LRQA-CN-SMTA-29.950 Signed CAPR XXXXXXXXXXXXXXXXa: Tradin Co. Ltd November 21-22,024.pdf](#)



["1" [LRQA-CN-SMTA-29.950 Photo Form XXX XXXXXXXX:: Tradin Co. Ltd November 21-22,024.docx](#)



For more information visit <https://www.sedex.com>