



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC1076430	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS1038612
Business name (Company name):	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
Site name:	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
Site address:	XXXXXXXXXXXXXXXXXXXX China xxxxxxxx CN	Country:	CN
Site contact and job title:	Ms. xxxxxxxxxx / HR Supervisor		
Site phone:	+XXXXXXXXXXXXXXXXXX	Site e-mail:	XXXXXXXXXXXXXXXXXXXX
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	2024-05-06		

Audit Company Name:
Intertek Shenzhen

Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. 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.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Auditor Team			
Lead Auditor:	Benny Lau	APSCA Number:	21700247
Additional Auditors:			
Date of declaration:	2024-05-07		

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

Site Representation	
Full Name:	Ms. xxxxxxxxxxxx
Title:	HR Supervisor
Date of declaration:	2024-05-07
Comments:	<p><i>Any exceptions to this must be recorded here (e.g. different sample size):</i> <i>Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).</i> <i>The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i></p>
This audit is semi-announce audit with the scheduling window from 6 May 2024 to 1 June 2024.	

Summary of Findings

Issue <small>(please click on the issue title to go direct to the appropriate audit results by clause)</small>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic			0	0	0	
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid	5.1	§1	1	0	0	NC - ZAF600454465
6 - Working hours are not excessive	6.1	§2	1	0	0	NC - ZAF600454466
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2-pillar			0	0	0	
10B4 - Environment 4-pillar			0	0	0	
10C - Business ethics 4-pillar			0	0	0	

Local Law Issues

Issue	Description
§1	In accordance with the Social Insurance Law of the People’s Republic of China, Article 10 Employees shall participate in the basic endowment insurance, and the basic endowment insurance premiums shall be jointly paid by employers and employees. Article 23 Employees shall participate in the basic medical insurance for employees, and the basic medical insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33 Employees shall participate in the employment injury insurance, and the employment injury insurance premiums shall be paid by their employers rather than the employees. Article 44 Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53 Employees shall participate in maternity insurance, and the maternity insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state.

§2	In accordance with the PRC Labour Law 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 labourers, 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 labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.
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Site Details

Site Details	
Company Name	XX
Site Name	XX
GPS location (if available)	GPS Address: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXX China(XXXXXXXXXXXXXXXXXXXX)
	Coordinates: Not provided.
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business license No.: XXXXXXXXXXXXXXXXXXXXXXXX Valid date: From 11 May 2018 to 10 May 2068
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Outdoor equipment (such as cooler bags and carpets)
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	XX was located at xxx XX China. the total land area occupied by the whole facility was 19900 square meters. The facility established and started operation in current place since 11 May 2018. In view of the facilities, the facility located in the industrial zone, it consisted of one 3-storey building except 2/F, and one 6-storey building except 2/F used as office, production workshops and warehouse; No dormitory, canteen or kitchen was available for the employees in this facility. The buildings were made up of concrete, bricks and steel. A total of 280 employees (including 82 management employees) working in the audited facility at present, the employees' ages ranged were from 26-69 years old. 98 employees were local workers from Fujian, 182 employees were domestic migrant workers from Sichuan, Jiangxi, Henan, Guizhou and Chongqing. No foreign migrant worker. All employees were hired by the facility directly. The normal working time was 8 hours per day and 5 days per week. There was one shift for all department, The normal working hour for production employee was from 7:30 to 16:30 with one hour's lunch break from 12:00 to 13:00. The normal working hour for office staff was from 8:30 to 18:00 with 1.5 hours' lunch break from 12:00 to 13:30, Finger print attendance system was used for time keeping for all employees. Employees' wages were calculated on hourly basis and paid on the 25th of each month for the last working period. The peak season in this facility was not obvious as per facility management confirmed. Remark: The audited facility located in the industrial zone, it consisted of one 3-storey building except 2/F, and one 6-storey building except 2/F used as office, production workshops and warehouse; No dormitory, canteen or kitchen was available for the employees in this facility; and all 2/F of these two production buildings were occupied by its parent company named XXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX used as the study centres. It's a trading company without any produce, auditor noted that there was no compound use of workers. So during this audit, only XXXXXXXXXXXXXXXXXXXXXXXX was included in the audit scope.

Structure and number of buildings	Building Name:		Production #5
	Floor	Description	Remark
	1/F	Material warehouse, high frequency workshop	Size: 272 square meters for each floor. Construction year: 2006
	2/F	Study center of Xiemen Youdu Leisure Goods Incorporated Company	Size: 272 square meters for each floor. Construction year: 2006
	3/F	Finished goods warehouse	Size: 272 square meters for each floor. Construction year: 2006
	Building Name:		Production #3
	Floor	Description	Remark
	1/F	Cutting, Weaving workshops	Size: 1775 square meters. Construction year: 2004
	2/F	Study center of Xiemen Youdu Leisure Goods Incorporated Company	Size: 1775 square meters. Construction year: 2004
	3/F	Sewing, Inspection and packing workshops	Size: 1775 square meters. Construction year: 2004
	4/F	Sewing, Inspection and packing workshops	Size: 1775 square meters. Construction year: 2004
	5/F	Sewing workshop	Size: 1775 square meters. Construction year: 2004
	6/F	Finish good warehouse	Size: 1775 square meters. Construction year: 2004
	Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No visible structural integrity issues were observed.	
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provided the construction completion certificates of the building for review.		

Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack house <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-contractor
Months of peak season	
Process overview	The main products manufactured by the facility were Outdoor equipment (such as cooler bags and carpets) The main production processes were listed as follows: Weaving, Cutting, Sewing, inspection and packing The main machine list of the facility was as following: Weaving machines: 8 sets, Cutting machines: 6 sets, Sewing machines: 250 sets, Needle detectors: 1 set., etc.
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	Worker committee with the worker representatives such as Mr. xxxxxxxxxxxx was on site.
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A, no dormitory was provided.

Audit Parameters				
Time in and time out	Day 1		Day 2	
	In	09:05	In	09:00
	Out	17:05	Out	17:00
Audit type:	PERIODIC			
Was the audit announced?	SEMI_ANNOUNCED			
Was the Sedex SAQ available for review?	Yes			
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No			
Who signed and agreed CAPR	Ms. xxxxxxxxxxxx / HR Supervisor			
Is further information available	No			

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
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
<i>Reason for absence at the opening meeting</i>	There is no union at this facility.		
<i>Reason for absence during the audit</i>	There is no union at this facility.		
<i>Reason for absence at the closing meeting</i>	There is no union at this facility.		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers - male	27	0	0	54	0	0	0	81
Worker numbers - female	22	0	0	95	0	0	0	117
Total	49	0	0	149	0	0	0	198
Number of Workers interviewed - male	4	0	0	9	0	0	0	13
Number of Workers interviewed - female	3	0	0	10	0	0	0	13
Total - interviewed sample size	7	0	0	19	0	0	0	26

Nationalities Structure	
Nationality of Management	Chinese
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Chinese approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable. The peak season was not obvious in the facility.
Worker remuneration	Workers on piece rate: 0%
	Paid hourly: 100%
	Salaried: 0%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: None

Worker Interview Summary	
Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	4 groups of 5 members evenly including 8 males and 12 females.
Number of individual interviews:	Male: 5 Female: 1
All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaint was reported by interviewees.
What did the workers like the most about working at this site?	Wages were paid on time and in compliance with legal requirements.
Any additional comment(s) regarding interviews:	None
Attitude of workers to hours worked:	Through employees' interview, overtime was voluntary.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<p>Attitude of workers:</p> <p>26 employees were randomly selected for interview including 13 males and 13 females' employees, and they were interviewed as 4 groups of 5 members evenly including 8 males and 12 females, and the balance of 6 employees were interviewed individually. The employees were assured of confidentiality, and they spoke freely of their views of the facility. All employees said they were satisfied with their employment at the facility. All employees said they were satisfied with their employment at the facility and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns to their worker representatives who would take it to the management.</p>
<p>Attitude of worker's committee/union reps:</p> <p>There was no union existed in this facility. One worker representative was interviewed. he was favourable with the management and the working conditions, and he stated that the worker representatives could give suggestions on all parts of the site's practices, and the facility management would investigate their suggestions or concerns and respond to them in a timely manner.</p>
<p>Attitude of managers:</p> <p>The facility management had a system in place to check their current practices against their clients' requirements and the local laws, and they took notice of the findings of the internal audit team and had established a Health & Safety committee to take care of health and safety concerns. Managers responsible for implementing legal and code standards and the independent and internal audits included the general manager, production manager and HR staff. The facility managements were interested in audit process and were able to discuss the found issues in open and honest manner. All necessary areas were allowed access for tour and a private room was arranged for employees' interview. In the closing meeting, the management appeared receptive to the current findings.</p>

0A - Universal Rights covering UNGP [Summary of Findings]
<p>0A: Compliance Requirements</p> <p>0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p>0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <ol style="list-style-type: none"> The facility had designated Ms. xxxxxxxxxxx/HR Supervisor to be responsible for implementing standards concerning Human rights. Policy concerning human rights was established. Human rights protecting requirements had been communicated to suppliers. Employees could report the human right violations through suggest box, workers committee and directly communicate with management.
<p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> Employee Handbook was reviewed. It stipulated complying with ETI Code, written policies and procedure that being provided individually to employees. Company Manual contained details of Code and Business Ethics with the commitment of being compliant in all aspects of business and integrity aligned with the client's requirement and local law. Employees' training records showed the facility conducted training for employees about the social compliance when they enter the facility. Employee interviewed, and management interviewed.
<p>Any other comments:</p> <p>None</p>

<p>Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had established written policy concerning human right to ensure no human rights would be offended.</p>
<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Through document review, the policies were included in workers' manuals.</p>

Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Ms. xxxxxxxxxxxxxx Job title: HR Supervisor				
Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had established grievance reporting system such as suggestion box, worker representative available and direct talk to management.				
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had established privacy data protection procedure for employees' information. All personal files were kept and controlled by personnel department.				
Measuring Workplace Impact					
Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Last year</td> <td style="text-align: right;">8.0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">8.0%</td> </tr> </table>	Last year	8.0%	This year	8.0%
Last year	8.0%				
This year	8.0%				
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	8.0%				
Annual % absenteeism(Number of days lost through job absence in the year / [(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)	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Last year</td> <td style="text-align: right;">0.0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">0.0%</td> </tr> </table>	Last year	0.0%	This year	0.0%
Last year	0.0%				
This year	0.0%				
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month)	0.0%				

Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: According to accident management procedure, all accidents would be investigated and recorded. As per document reviewed, blank accident report was provided for review due to no accident was happened.	
Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	0.0%	
Lost day work cases per 100 workers(((Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

OB - Management Systems and code Implementation [Summary of Findings]
<p>OB: Compliance Requirements</p> <p>0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.B.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.B.4 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with.</p> <p>0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <ol style="list-style-type: none"> The facility implemented and maintained systems for delivering compliance to this Code. The facility communicated this Code to all employees by training as confirmed by training records and employee interviewed. Ms. xxxxxxxxx / HR Supervisor was responsible for compliance with the Code. Information of business license was updated.
<p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> Employee Handbook was reviewed. It stipulated complying with ETI Code, written policies and procedure that being provided individually to employees. Company Manual contains details of Code and Business Ethics with the commitment of being compliant in all aspects of business and integrity aligned with the client's requirement and local law. Management interviewed, and employee interviewed Business license reviewed.
<p>Any other comments:</p> <p>None</p>

Management Systems	
<p>In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had not received any fines/prosecutions for non-compliance to any regulations before.</p>
<p>Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had established the policies and procedures for forced labour, child labour and discrimination, harassment and abuse.</p>
<p>If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>The facility had provided relevant trainings for employees through document reviewed and employees interviewed.</p>

<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility provided regular trainings in the standards for forced labour, child labour, discrimination, harassment and abuse for both management and workers.</p>
<p>If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Regular training records were provided for review. The employees were aware of the facility's relevant policies and procedures per employees interviewed.</p>
<p>Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: N/A. No such certificate in the facility.</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The facility had Human Resources department which in charge of the recruitment of employees, assignment of employees' post, etc.</p>
<p>Is there a senior person /manager responsible for implementation of the code?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Ms. xxxxxxxxxxxx / HR Supervisor was assigned to responsible for implementation of the Code.</p>
<p>Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility established and implemented the policy and procedure for safeguarding workers' confidential and private data and information.</p>
<p>Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: All employees' personal information would be kept and only accessed by authorized staff, such as HR.</p>
<p>Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Risk assessment would be conducted regularly to evaluate policy and procedure effectiveness.</p>
<p>Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Any risk identified during assessment would be corrected immediately.</p>

Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had its supplier filter program to ensure all suppliers in compliance with legal requirements regarding labour standards.
Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has all required land rights, licences and permission such as house property certificate.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has a system in place to conduct legal due diligence relating to land title.
Does the site have a written policy and procedures specific to land rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. Remark: The land in China mainland was belonged to the nation. Anybody or facility, no matter the character, could only rent the land from governmental department for a period. If the facility would like to use the land, it should apply for it from governmental department. The governmental department would make decision on whether to provide the approval.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has all required land rights, licences and permission such as house property certificate.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Not applicable, the facility did not have plan of land acquisition.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No illegal appropriation of land for facility building or expansion of footprint.

1 - Freely chosen Employment [Summary of Findings]
<p>1: Compliance Requirements</p> <p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <p>1. The interviewed employees raised no concerns of forced or bonded labour. They stated that they were free to leave their working stations once their shifts end.</p> <p>2. The interviewed employees stated that they were not required to pay any deposits' or leave their ID cards with the employer.</p> <p>3. The facility would not force employees to work overtime and would not threaten employees to work overtime by fine or fire.</p>
<p>Evidence examined:</p> <p>Details:</p> <p>1. The facility's hiring procedure was reviewed. The policy included the following clause: the facility did not require deposit or withhold employees' ID cards; the facility did not limit the employees' freedom; there was no forced, bonded or involuntary prison labour; and employees were free to leave their employer after reasonable notice.</p> <p>2. Employment contracts were reviewed, and they contained the notice periods.</p> <p>3. Management interviewed, and employee interviewed</p> <p>4. Facility tour showed no sign of employees being under pressure.</p>
<p>Any other comments:</p> <p>None</p>

<p>Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>
<p>Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>
<p>Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>
<p>Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>NA. The freedom of employment termination was not restricted. Remark: There was no restriction on employees' freedom to terminate employment. Employees were free to leave with 3 days' prior written notice within their probation period and could resign with one month's prior written notice after the probation period; the resigned workers would be given their full wages on their last day of work.</p>

<p>If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details: The facility was registered in China and not based in UK.</p>
<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: NA. Through employee interview, the workers' freedom was not restricted.</p> <p>Remark: There was no any restriction on employees' freedoms to leave the site at the end of the work day. According to the onsite observation and employee interviews, the employees were free to leave the workplace after their working hours every day.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details: According to the document reviewed and management interviewed, there was no risk of forced / trafficked / bonded labour in its supply chain.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility gave training on prohibition of forced / trafficked labour to all employees and conducted internal audit annually to reduce the risk of forced / trafficked labour.</p>

2 - Freedom of Association and Right to Collective Bargaining are Respected [Summary of Findings]
<p>2: Compliance Requirements</p> <p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <ul style="list-style-type: none"> • The facility had a written policy of freedom of association and right to collective bargaining. The policy stated that the employees were free to form or join trade union or workers' organisation and enjoy the right to collective bargaining, and nobody would be treated differently if they were members of the trade union or workers' organisation, etc. • The facility had a written policy about suggestions and appeals, which stated that employees could raise their concerns or appeals through worker representatives, telephone, suggestion box, and their team leaders or above. • There was no union existed in this facility. • There was a worker committee in the facility. One worker representative was selected by the employees on 15 March 2024, the worker representatives conducted meetings regularly and latest meeting was on 24 April 2024. • The interviewed workers confirmed that they were free to join trade union or workers' organisation and enjoy the right to collective bargaining. • The interviewed worker representative confirmed that the facility did not interfere their activities and did not discriminate the worker representatives. • The response records for employees' suggestions and appeals were available for review. For example, the worker representatives raised that the employees hoped that the facility could arrange more entertainment activities, and the factory taken corrective actions and arranged amusement activities within one month.
<p>Evidence examined:</p> <p>Details:</p> <ul style="list-style-type: none"> • 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 employees' suggestions and appeals • Interviewed with worker representative, management and employees.
<p>Any other comments:</p> <p>None</p>

<p>What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)</p>	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
<p>Other details:</p>	<p>Worker committee was on site.</p>	
<p>Is it a legal requirement to have a union?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Suggestion box and meeting with management.
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The worker committee could use adequate facilities to conduct the business without Interference or restriction.
Name of union and union representative, if applicable:	N/A, no union in the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	One worker committee in the facility.
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr. xxxxxxxxxxxxxxxx was representative.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2024-03-15
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Latest worker's committee meeting conducted on 24 April 2024, topic regarding the employees' health and safety were discussed, and the meeting minutes were pasted on public board for employees' acknowledgement.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

3 - Working Conditions are Safe and Hygienic
[Summary of Findings]

3: Compliance Requirements
 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current Systems:

1. General Health and Safety management
 - Written Health and Safety Policy and Health and Safety Manual were available.
 - Ms. xxxxxxxxxxxx / HR Supervisor was appointed as Health & Safety Supervisor for the site.
 - Minutes of meetings showed that there were monthly meetings between the H&S committee (workers) and the H&S supervisor, and each point was acted on.
 - Potable water was freely available in all areas for all employees and test certificates were up-to-date.
 - Sufficient clean toilets segregated by gender were available at all times to employees.
 - Ventilation, temperature and lighting were adequate for the workplaces.
 - Accident reports were available.
2. Fire Safety
 - In production building, there were at least 2 exits from each work area and these were clearly marked.
 - Fire-fighting equipment' monthly inspection records were available.
 - Fire-fighting equipment were maintained well.
 - The open directions of the exit doors were adequate.
 - Evacuation routes were unblocked.
 - "No smoking signs" were available throughout the factory.
 - Evacuation diagrams were posted in all areas and understood by all employees interviewed.
 - Fire drills were organised and recorded for all employees, and the latest one was on 6 March 2024.
3. Electrical safety
 - All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.
 - There were 2 competent electricians at the site and the qualification certificates were valid.
4. Chemical safety
 - The facility used chemicals such as glues and lubrication oils., etc.
 - Employees in the chemical store confirmed that they had been trained on correct handling procedures as well as what to do in an emergency.
 - all chemicals were stored and used with the safety label.
 - Safety facilities for chemicals were compliant with legal requirement.
5. Medical services
 - There were adequate first aid kits in each production area and they were well stocked.
 - There were 4 first aiders for each shift and they had been trained at a local hospital.

Evidence examined:

<p>Details:</p> <ul style="list-style-type: none"> - Health and safety policy - Health and safety manual - Appointment document for the Health and Safety Supervisor - Health and safety committee minutes - Potable water testing report - Toilet cleaning records - Temperature recording sheets - Fire certificate or registered record - Accident reports - PPE issuing and receiving records - Fire equipment' monthly maintenance and inspection records - Fire drill records - Electrical equipment' maintenance and inspection records - The certificate of the electrician - Trained first aiders' certificates - Onsite observation - Interviewed with H&S supervisor - Interviewed with employees and H&S committee members
<p>Any other comments:</p>
<p>None</p>

<p>Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had established general Health & Safety and occupational Health & Safety policies and procedures, and employees would be given relevant training on their entry date.</p>
<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Employees' manual including facility's general Health & Safety and occupational Health & Safety policies and procedures and detailed requirements.</p>
<p>Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>The site had a valid building safety certificate.</p>
<p>Are visitors to the site informed on H&S and provided with personal protective equipment?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Visitors to the site were informed on H&S. And the visitors were provided with personal protective equipment when they were on the site with occupational hazards area.</p>
<p>Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>First aid boxes with sufficient supplies were available on the floor, and employee could easy to access to the first aid box. Remark: No medical room or medical facility was provided for the workers, and there was no such legal requirement for the facility.</p>

<p>Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: There were 4 first aiders in the facility, the first aid procedure and the contact number of the first aiders was post in each workshop.</p>
<p>Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: N/A. The facility did not provide worker transport and no such legal requirements.</p>
<p>Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: N/A. No dormitory was provided for employees.</p>
<p>Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: such as overtime working hours were strictly controlled by HR.</p>
<p>Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The Environmental impact assessment approval was provided for review.</p>
<p>Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: No such banned chemical used in the facility</p>

4 - Child Labour Shall Not Be Used [Summary of Findings]
<p>4: Compliance Requirements</p> <p>4.1 There shall be no new recruitment of child labour.</p> <p>4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <p>1. There was an informal procedure for checking ages of employees at application stage, and this includes checking ID's.</p> <p>2. The facility verified all employees' original ID cards at the time of recruitment and kept the photocopies of employee' ID cards in the personnel files.</p> <p>3. The facility had established a remediation system in place to assist children found to be working directly or indirectly for the facility.</p>
<p>Evidence examined:</p> <p>Details:</p> <p>1. The employee's personnel 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., etc.</p> <p>2. The child labour policy stated that they would check the employees' ID through document reviewed and employee interviewed to avoid child labour. The facility had also established remedy procedure child labour and the procedure met to the local law requirements.</p> <p>4. Facility tour</p> <p>5. Management interviewed, and employee interviewed.</p>
<p>Any other comments:</p> <p>None</p>

Legal age of employment:	16
Age of youngest worker found:	26
Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. All employees were above 18 years old.

5 - Living Wages are Paid
[Summary of Findings]

5: Compliance Requirements

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current Systems:

- Wage & benefit policy and controlling procedure were established and implemented.
- Wage & benefit policy and controlling procedure were communicated to the employees through regular trainings.
- The local minimum wage standard was was RMB2030 per month equivalent to RMB 11.67 (2030/21.75/8) per hour since 1 April 2022.
- Adequate wages and attendance records were kept in the facility.
- The employees' wages were calculated by hourly rate, and all employees were paid at the 25th of each month for the last working period.
- Based on the provided attendance records and payrolls,
 - 1) Previous annual audit was conducted on 4-5 July 2023 with the payroll review of May 2023. Payrolls for the period from June 2023 to March 2024 and attendance records for the period from 6 July 2023 to 7 May 2024 (audit day) were provided for review. Randomly sampled 26 employees' payrolls and attendance records from March 2024 (current month), January 2024 (random month) and October 2023 (random month) for further checking on status of wages and working hours.
 - 2) The minimum wage paid by the facility was RMB 2030 per month as equivalent to RMB 11.67 (2030/21.75/8) from June 2023 to March 2024 in the sampled months.
 - 3) 150% and 200% and 300% of the normal wages for overtime hours on weekdays, rest days and Statutory Holidays respectively.
- Sufficient maternity leave was provided to female employees.
- All employees were provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they were paid.
- Based on provided payrolls, social insurance receipt sheets and employees interview, insufficient social insurance participated.
- Social insurance payments were passed on to the relevant authorities in a timely manner.
- Benefits such as annual leave, sick leave, and child-bearing leave, etc. were provided to relevant employees adequately.
- All employees were paid by bank autopay and each employee was given a pay slip and signed for their wages.
- No monetary fine was used by the factory as disciplinary measure.


Evidence examined:

<p>Details:</p> <ul style="list-style-type: none"> •Wage & benefit policy and controlling procedure •Training records about wage and benefit policy and controlling procedure • Local legal minimum wage documents • Local and national laws • Labour contracts for all employees (to examine agreed wage rates) • Previous annual audit was conducted on 4-5 July 2023 with the payroll review of May 2023. Payrolls for the period from June 2023 to March 2024 and attendance records for the period from 6 July 2023 to 7 May 2024 (audit day) were provided for review. Randomly sampled 26 employees' payrolls and attendance records from March 2024 (current month), January 2024 (random month) and October 2023 (random month) for further checking on status of wages and working hours. • Cross-checked the attendances between the attendance records and production records such as daily production quantity records, broken needle records, inspection records and material issuing records, etc. • Social insurance and payment receipts from the local authority • Leave records • Resignation records • Payslips of all interviewed employees • Disciplinary records • Employee interviewed, and management interviewed.
<p>Any other comments:</p> <p>None</p>

Summary Information			
Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 40.0 Per Month: null	Actual Per Day: 8.0 Per Week: 40.0 Per Month: 168.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 3.0 Per Week: null Per Month: 36.0	Actual Per Day: 2.0 Per Week: 18.0 Per Month: 82.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: 2030	Actual Per Day: 93.3 Per Week: 466.7 Per Month: 2030	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: null Per Week: null Per Month: null	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	26 samples from March 2024 (current month) 26 samples from January 2024 (random month) 26 samples from October 2023 (random month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details:
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	Lowest wage found was: RMB 2030 per month.
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 100.0% of workforce earning minimum wage 0.0% of workforce earning above minimum wage
Bonus Scheme found: Please specify details:	Bonus Scheme found: Monthly bonus would be provided for employees based on their personal working performance. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.
What deductions are required by law e.g. social insurance? Please state all types:	1. Social insurance: basic endowment insurance, employment injury insurance, unemployment insurance, maternity insurance, basic medical insurance. 2. Personal tax
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please list all deductions that have been made.	1. Social insurance: basic endowment insurance, employment injury insurance, unemployment insurance, maternity insurance, basic medical insurance. 2. Personal tax
Please list all deductions that have not been made.	1. NA 2. NA Please describe: NA
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Through employee interview, cross-checked the production records with attendance records, it was noted that all time worked were reflected.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> Other - please give details:

<p>Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Periodic reviews were conducted to ensure employees earn above basic required wage and the calculation of wages was correct.</p>
<p>Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Through facility rules review, payroll records review and employees' interview, it was confirmed that equal rates were being paid for equal work.</p>
<p>How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque</p> <p><input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other</p>

Non-Compliance		Evidence																										
[Back to findings summary]																												
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	<p>insurance, basic medical insurance and maternity insurance. Remark: The facility provided the commercial insurances for all employees in accidental injury insurances from 21 May 2023 to 20 May 2024.</p> <p>社会保险参保不足。通过文件审核，审核员发现2024年04月，企业的280个员工(包含82名办公室管理人员)中，仅有51名员工参加养老保险，失业保险，工伤保险，医疗保险和生育保险。 备注：企业从2023年05月21号到2024年05月20号为所有员工购买了商业意外伤害险。</p>	
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	<p>The facility would ensure all employees participate in the all 5 types of social insurance schemes and train the employees to participated in the Insufficient social insurance</p> <p>The facility would ensure policy requirements are followed.</p>	

6 - Working Hours are not Excessive
[Summary of Findings]

6: Compliance Requirements
 6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.
 6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.
 6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
 6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.
 6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where all of the following are met:
 6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current Systems:

- Working time policy and controlling procedure were established and implemented in the factory.
- Overtime was voluntary.
- Working time policy and controlling procedure were communicated to the employees through regular trainings.
- Working time was adequately recorded and kept by the factory.
- The employees' attendances were recorded by finger print attendance system, and the shift start time and shift end time were recorded accordingly.
- Based on provided attendance records and employee interview, basic working hours were 8 hours per day and 40 hours per week. the daily overtimes were not exceeded 3 hours per day, Maximum monthly overtime hours were exceeded local law limit due to production order, the maximum monthly overtime hours were 82 hours (in March 2024); maximum weekly working hours were not exceeded 60 hours per week.

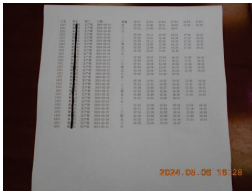
Evidence examined:

<p>Details:</p> <ul style="list-style-type: none"> • Working time policy and controlling procedure • Voluntary overtime policy • Employees contracts • Local and national laws • Training records about working time policy and controlling procedure • Previous annual audit was conducted on 4-5 July 2023 with the payroll review of May 2023. Payrolls for the period from June 2023 to March 2024 and attendance records for the period from 6 July 2023 to 7 May 2024 (audit day) were provided for review. Randomly sampled 26 employees' payrolls and attendance records from March 2024 (current month), January 2024 (random month) and October 2023 (random month) for further checking on status of wages and working hours. • Cross-checked the attendances between the attendance records and production records such as daily production quantity records, broken needle records, inspection records and material issuing records, etc. • Sample pay slips with recorded hours of all employees interviewed • Employee interviewed, and management interviewed. • Based on attendance records provided by the facility, the maximum monthly overtime hours were: <ul style="list-style-type: none"> Maximal 82 hours per month in March 2024 (current month); Maximal 76 hours per month in January 2024 (random month); Maximal 70 hours per month in October 2023 (random month). • Based on attendance records provided by the facility, the maximum total weekly working hours were: <ul style="list-style-type: none"> Maximal 58 hours per week in March 2024 (current month); Maximal 58 hours per week in January 2024 (random month); Maximal 58 hours per week in October 2023 (random month).
<p>Any other comments:</p>
<p>None</p>

Working hours' analysis	
Systems & Processes	
What timekeeping systems are used?	Finger print attendance system
Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Maximum number of days worked without a day off (in sample):	6
Standard/Contracted Hours worked	

Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: Maximum Daily overtime hours: 2 hours in March 2024 (current month); 2 hours in January 2024 (random month); 2 hours in October 2023 (random month). Maximum weekly overtime hours for sampled months: 18 hours in March 2024 (current month); 18 hours in January 2024 (random month); 18 hours in October 2023 (random month). Maximum Monthly overtime hours: 82 hours per month in March 2024 (current month); 76 hours per month in January 2024 (random month); 70 hours per month in October 2023 (random month).
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The weekly working hours did not exceed 60 hours.
Approximate percentage of total workers on highest overtime hours:	98.7%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Through employees' interview, all randomly selected employees stated that they worked overtime on their own wills. And they could refuse to work overtime if they did not want to. Through document review, it was noted that the facility did not use monetary penalties as disciplinary means.
Overtime premium	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium Please give details: As per the provided attendance records and payroll records, the facility paid 150% of the normal rates for regular overtimes.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 100% employees were paid monthly.

<p>If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p><input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements</p> <p><input checked="" type="checkbox"/> Other</p>
<p>Please give details</p>	<p>150% of standard wages are paid for overtime on normal days.</p>
<p>If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)</p>	<p><input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)</p>
<p>Please give details</p>	<p>N/A, weekly working hours were within 60 hours.</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>N/A, weekly working hours were within 60 hours.</p>
<p>Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

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	<p>) 的考勤中, 26名随机抽取的员工中26人的月加班时间为68-70小时, 不符合《中华人民共和国劳动法》第41条规定的每月加班时间超过36小时, 日加班时间超过3小时。</p>	
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	<p>The facility would re-schedule the production plan and ensure the monthly overtime hours less than 36 hours and daily overtime hours within 3 hours.</p> <p>The facility would ensure policy requirements are followed.</p>	

7 - No Discrimination is Practiced [Summary of Findings]
<p>7: Compliance Requirements 7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <ol style="list-style-type: none"> 1. A written anti-discrimination procedure on hiring, compensation, promotion, termination, retirement and access to training was available during the audit. 2. Gender divisions did not exist in the facility. Both female and male employees were distributed in all types of work. 3. Through payroll records reviewed, employees with the same job and seniority were paid with the same rate irrespective of gender, age, or other issues. 4. There was an internal grievance process, all selected employees were aware of the grievance channels in case they encountered any discrimination cases.
<p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> 1. The hiring and termination procedure 2. Leave application records 3. Termination records 4. Training records 5. Employee interviewed, and management interviewed 6. Facility tour
<p>Any other comments:</p> <p>None</p>

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 65.0%	Female: 35.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	N/A, there were no jobs that specific qualifications are needed in the facility.	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No any type of discrimination was found during this audit.	
Professional Development		
What type of training and development are available for workers?	Working skills and private capability improvement training, Health and Safety training and etc., were provided to employees.	

Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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8 - Regular Employment Is Provided [Summary of Findings]
<p>8: Compliance Requirements</p> <p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p>Additional Elements: Responsible Recruitment</p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <p>1.The facility had documented policy and procedure pertaining to regular employment, which stipulated that the employment in the facility should be established through national law and practice.</p> <p>2.The facility's policy, practices and procedures on regular employment was effectively communicated to all employees through internal training.</p> <p>3.The facility signed labour contract with employees within one month and one copy of the labour contract was provided to the employees.</p> <p>4.Wages and working hour etc terms & conditions were clearly defined in contracts.</p> <p>5.No home-working or contracted employee was used by this facility.</p> <p>6.All employees were hired by the facility directly.</p>
<p>Evidence examined:</p> <p>Details:</p> <p>1.Site policy on the regular employment.</p> <p>2.Training records and training material in the past one year</p> <p>3.Employees' labour contracts.</p> <p>4.Employee roster</p> <p>5.Employees' interviewed.</p> <p>6.Management interviewed</p>
<p>Any other comments:</p> <p>None</p>

Responsible Recruitment	
All Workers	
Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Migrant Workers	
Type of work undertaken by migrant workers:	All types of work in the facility include migrant workers.
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. No such deduction applicable.
Is there any observation on this finding?	No
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No All types of work (including management) in the facility include migrant employees. 3 employees of such roles such as HR and production supervisors were migrant employees.
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Agency Workers (if applicable) (Workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	N/A. Site did not use any agency.
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. Site did not use any agency.
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. Site did not use any agency.
Contractors (Contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A, no contractor was used by the facility.

Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A, no contractor was used by the facility.
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8A - Sub-Contracting and Homeworking [Summary of Findings]
<p>8A: Compliance Requirements 8.A.1 There should be no sub-contracting unless previously agreed with the main client. 8.A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <ol style="list-style-type: none"> The facility had established a policy to ensure sub-contracting would not be used unless previously agreed with the main client. All processes were finished within the facility. No sub-contracting or home-working was used by this facility.
<p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> Policy on sub-contracting Reviewing of the production records such as materials in/out records Facility tour Management interview Employees' interview No process subcontractor used by this facility.
<p>Any other comments:</p> <p>None</p>

Summary of sub-contracting – if applicable	
Is there any sub-contracting at this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Summary of homeworking – if applicable	
Is homeworking used at this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

9 - No Harsh or Inhumane Treatment is Allowed [Summary of Findings]
<p>9: Compliance Requirements</p> <p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <p>1. Through documentation reviewed, the facility established a written disciplinary procedure for employees' misbehaviour which included oral warning, education, warning letter and finally termination, and provided the training program for all employees on the procedure. It was confirmed that employees were aware of the disciplinary procedure through employees interviewed.</p> <p>2. Through management interviewed, document reviewed, and employees interviewed, there was a policy on prevention of harsh treatment.</p> <p>3. There was an internal process for grievance, which was a suggestion box, where employees can report any grievances (such as sexual harassment, bullying, physical abuse and discrimination), and any received complaint will be handled by management, without any reprisal for the employee in question. All selected employees were aware this process. The grievance mechanisms were legitimate, accessible and equitable.</p>
<p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> 1. The policy on prevention of harassment and abuse 2. Internal grievance procedure 3. Training records 4. Employees' interviewed, and management interviewed 5. Facility tour
<p>Any other comments:</p> <p>None</p>

<p>Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility provided a grievance mechanism to employees (such as worker representatives and suggestion box) to report any violations of Labour standards and H&S or any other grievances. And the reporter would be confidential for all reporters.</p>
<p>If yes, are workers aware of these channels and have access? Please give details.</p>	<p>Yes. Through onsite interview, all interviewed employees stated that they know the channels.</p>
<p>If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Suggestion box and verbal exchanges</p>
<p>Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Worker <input checked="" type="checkbox"/> Communities</p> <p><input checked="" type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Other</p>
<p>Please provide grievance mechanism details</p>	<p>Suggestion box was available for employees to report issues including labour standards and H&S or any other grievances to the top-level management directly.</p>

Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:







10A - Entitlement to Work and Immigration [Summary of Findings]
<p>10A: Compliance Requirements 10.A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10.A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <p>Per document review, facility management representation and employee interview, all employees in the facility were Chinese. All employees had the proper legal rights to work in this region. The youngest age was 26 years old. All of them were recruited directly by the facility and no agency was involved in facility's recruitment processes.</p>
<p>Evidence examined:</p> <p>Details: 1. Employment contracts and hiring policy were reviewed and they contained the clause that only employees with a legal right to work will be hired by the company. 2. Management interviewed, and employee interviewed</p>
<p>Any other comments:</p> <p>None</p>

10B2 - Environment 2–Pillar [Summary of Findings]
<p>10B2: Compliance Requirements 10.B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits. 10.B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.</p> <p>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</p>

Current Systems and Evidence Examined
<p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current Systems:</p> <ol style="list-style-type: none"> The facility conducted some training for all employees on the avoidance of environmental impact. The facility established the environmental protection policy, noise was identified and assessed as key environmental impacts, and environmental assessment documents and pollution emergency plan were available for review. Ms. xxxxxxxxxxxxxxxx / HR Supervisor was appointed responsibility for environmental issues.
<p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> Environmental pollution emergency plan, environmental policy, environmental assessment documents, etc. were provided for review. Facility tour Management interviewed, and employee interviewed
<p>Any other comments:</p> <p>None</p>

Attachments

 <p>2024.05.06 10:47</p>	 <p>2024.05.06 10:54</p>
 <p>2024.05.06 10:48</p>	 <p>2024.05.06 10:53</p>
 <p>2024.05.06 10:44</p>	 <p>2024.05.06 11:02</p>



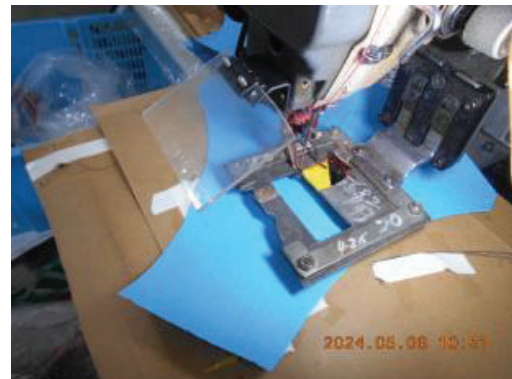
PPE being used-2.JPG



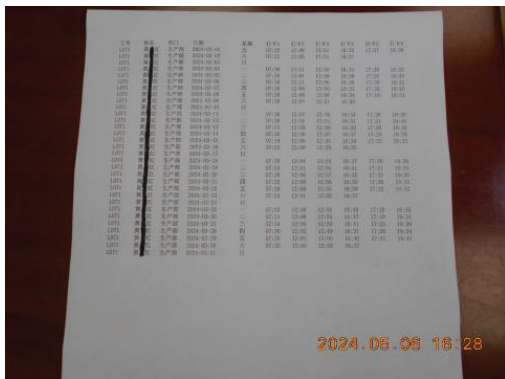
PPE being used-1.JPG



Production buildings.JPG



Needle guard being used.JPG



NC-Overtime hours exceeded the legal requirement.JPG



Fire extinguishers and Fire hydrant.JPG



Fire alarm and smoke detector.JPG



First aid kits.JPG



Inspection and packing workshop.JPG



Finished goods warehouse.JPG



Main gate .JPG



Material warehouse.JPG



MSDS at site.JPG



Eye washing facility.JPG



Facility name .JPG



NC-insufficient social insurance participated.JPG



Chemical stored area.JPG



Attendance system.JPG



Electrical wiring box with warning sign.JPG



Cutting workshop.JPG



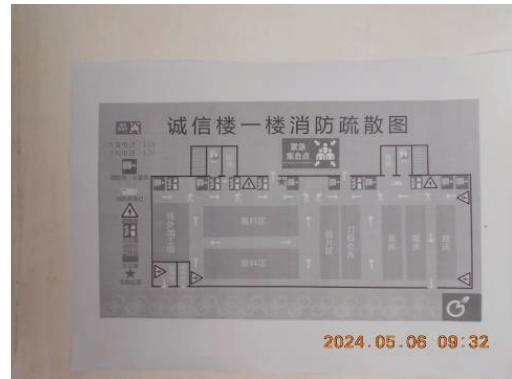
Drinking water facility.JPG



Exit sign and emergency light.JPG



Aisle with the evacuation sign.JPG



Evacuation plan.JPG



Onsite CAP.pdf



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