

Sedex Members Ethical Trade Audit Report

Version 7



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Audit content

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

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

2-pillar audits include:

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

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

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

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

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

Audit details

Site details

Sedex site reference	ZS418445970	Site name	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
Business name	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	Site address	XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Audit details

Sedex company reference	ZC418445953	Auditor company name	SGS-China
Audit company address	No. 430, Jihua Road, Bantian, Longgang District, Shenzhen, CN, 518129		
Date of audit	2025-08-11	Audit conducted by	Eric Yang
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		
Time in and out	Day 1		
	In	09:00	
	Out	15:00	
Audit type	Periodic		
Was the audit announced?	Semi announced		

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Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? XXXXXXXXXXXX / Admin Manager

Any conflicting information SAQ/Pre-Audit Info No

Is further information available? No

Audit attendance

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

SMETA declaration

Auditor team

SMETA declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual.

1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform.
2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)

This audit is Semi-announced with 3 weeks window (Aug. 07, 2025- Aug. 28, 2025).

Lead auditor	Eric Yang	APSCA Number	32400292
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Additional auditor	Teela Chen	APSCA Number	32400050
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Date of declaration	2025-08-11
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Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	XXXXXXXXXX
Title	Admin Manager
Date of declaration	2025-08-11

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.U Ensure any additional relevant legal requ...	Local law	NC ZAF601044847
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC ZAF601044845
	5.B Ensure that workers receive the insurance...		GE ZAF601058410
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601044846

Management systems

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

Not addressed

Fundamental improvements required

Some improvements recommended

Robust management systems

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

Not addressed

Fundamental improvements required

Some improvements recommended

Robust management systems

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Site details

Company and site details

Sedex company reference	ZC418445953	
Sedex site reference	ZS418445970	
Company name	XX	
Business ownership type	GOODS	
Site name	XX	
Site name in local language	XX	
GPS location	GPS address	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
	Coordinates	Latitude: XXXXXXXXXX Longitude: 119°59'46" E
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	XXXXXXXXXX
	Job title	Admin Manager
	Phone number	XXXXXXXXXX
	Email	XXXXXXXXXX
Applicable business and other legally required business license numbers and documents	Business license number: 91370283MA3LY6PJ81; Valid date: From June 5, 2018 to long term.	

[← Management systems](#)

[Worker analysis →](#)

Site activities

Site function	Factory Processing/Manufacturer	
Site activities	Primary	Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials
	Secondary	
	Other	
Product type	Handbag, cosmetic bag, storage basket	
Process overview	The product manufactured at this site was handbag, cosmetic bag, storage basket. Production lines: one production line, Main operations: Binding, cutting, sewing, inspection, packing. Main equipment used: cutting machines, sewing machines, metal detector, etc. (Remark: The binding process was not in production on the audit day.)	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	Yes	
What is the area of audited site to its boundary?	17146m ²	
Building 1	Last construction works on site	2021
	If building is shared, provide details	NA
	Number of floors	2
	Description of floor activities	1 F: Cutting workshop; 2 F: Sewing workshop

[← Management systems](#)

[Worker analysis →](#)

Site scope

Building 2	Last construction works on site	2021
	If building is shared, provide details	NA
	Number of floors	2
	Description of floor activities	1 F: Inspection, packing and warehouse 2 F: Idle
Building 3	Last construction works on site	2021
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	1 F: Warehouse and Binding
Building 4	Last construction works on site	2021
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	1-2 F: Office rooms 3 F: Distribution rooms
Building 5	Last construction works on site	2021
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	1 F: Canteen and kitchen 2-3 F: Dormitory rooms
Is there any difference between the site scope of the audit and the Sedex site profile?	No	

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Site scope

Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site?

No

Is any activity conducted onsite not included within the scope of the audit?

No

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?

Yes

Is the accommodation within the perimeter of the site audited?

Onsite

Is the accommodation contractually mandated for workers?

Optional

Who provides the accommodation?

Site

Was all accommodation (whether directly or via third parties, off or onsite) included in this audit?

All

All the accommodation was included in this audit.

Does the site organise worker transport to the worksite?

Not provided

The factory did not provide transportation for the workers. Workers organise their own transport.

[← Site details](#)

[Worker analysis →](#)

Work patterns

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

Is there any night shift work at the site? No

Site assessments

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

Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community? No
The factory did not assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site? No
There was no Human Rights Impact Assessment (HRIA) conducted within the last three years at this site.

[← Site details](#)

[Worker analysis →](#)

Worker analysis

Gender disaggregated data available Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	6 (8.3%)	66 (91.7%)	- -	72 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	6 (8.3%)	66 (91.7%)	- -	72 (100%)
Temporary or fixed term employees	0 -	0 -	- -	0 (0%)
Agency or subcontracted workers	0 -	0 -	- -	0 (0%)
Seasonal workers	0 -	0 -	- -	0 (0%)
Self-employed workers	0 -	0 -	- -	0 (0%)
Informal workers including home workers	0 -	0 -	- -	0 (0%)
Apprentices, trainees or interns	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Site details](#)

[Worker interviews →](#)

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	0 (0%)	1 (100%)	- -	1 (1.4%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	0 (0%)	1 (100%)	- -	1 (1.4%)

* % of total workforce

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

Jilin Province

Workers by age

	Men	Women	Other	Total
18 - 24 years old	0 (0%)	2 (100%)	- -	2 (2.8%)
15 - 17 years old	0 -	0 -	- -	0 (0%)
Under 15 years old	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

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

Describe how this may vary during peak periods The number of workers is not affected by production.

Please list the nationalities of all workers, with the three most common nationalities listed first Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	8%	92%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 -	0 -	- -	0 (0%)
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 (0%)
Workers paid hourly / daily rate	6 (8.3%)	66 (91.7%)	- -	72 (100%)
Salaried workers	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 (0%)
Paid weekly	0 -	0 -	- -	0 (0%)
Paid monthly	6 (8.3%)	66 (91.7%)	- -	72 (100%)
Other	0 -	0 -	- -	0 (0%)

* % of total workforce

If other payment cycle entered, please provide details NA

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	2 (33.3%)	4 (66.7%)	- -	6
Supervisors or team leaders	0 -	0 -	- -	0
Administrative staff	4 (33.3%)	8 (66.7%)	- -	12

[← Worker analysis](#)

[Worker interviews →](#)

Worker interview summary

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

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

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

[← Worker analysis](#)

[Measuring workplace impact →](#)

Was there any indication that workers had been 'coached' in how they should respond to questions?

No

What was the general attitude of the workers towards their workplace?

Favorable

Attitude of workers

In which areas did workers raise significant concerns or complaints?

Other (provide details)

NA. No negative feedback.

What did the workers like the most about working at this site?

Communication (e.g. from management)
 Equal opportunities
 Facilities (e.g. rest area, recreation, canteen)
 Freedom of movement
 Hours worked, rest days or breaks
 Job security
 Pay
 Work environment – comfort (e.g. temperature, noise or dust levels)

Additional comments

Most workers enjoyed working at this factory, they felt they had a good relationship with management in general.

Attitude of workers' committee/union representatives

The worker representative showed that the management was cooperative with workers and the workplace was generally acceptable. They were satisfied with management attitude and no negative evidence was observed.

Attitude of managers

The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they had implemented a Health & Safety committee to take care of health and safety concerns. The factory agreed that the auditor accesses to all facilities, and all requested documents and records were provided in a timely manner. The factory agreed that the auditor conducted confidential interviews with employees who were chosen freely without any influence by the factory.

Workers interviewed by type

	Total
Permanent workers	10
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	10

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	0	5	-	5
Workers interviewed individually	1	4	-	5

Migrant workers interviewed

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

Measuring workplace impact

Gender disaggregated data available Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	3.0%	10.0%	-	13.0%
Last full calendar year (2024)	3.4%	3.4%	-	6.8%
Previous full calendar year (2023)	0.0%	4.6%	-	4.6%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.5%	-	0.5%
Last full calendar year (2024)	1.0%	1.0%	-	2.0%
Previous full calendar year (2023)	1.0%	1.0%	-	2.0%

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

Are accidents recorded? Yes

Factory had kept and provided the accidents record for review. No accidents happened in the last 12 months.

[← Worker interviews](#)

[Code area 0 →](#)

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

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

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

Lost day work cases (per 100 workers)*

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

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

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

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

[← Worker interviews](#)

[Code area 0 →](#)

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

Previous full calendar year (2023)	0.0%	0.0%	-	0.0%
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Percentage of workers that work on average more than 60 total hours in a given week

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

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. The factory allow the auditor to conduct and complete the audit without obstruction to all requested documents, interviewees and the facility itself. 2. The factory provided appropriate technical facilities for the audit. 3. The factory did not bribe, threaten or induce the auditor for this audit. 4. The factory provided a copy of the Employee Rights Policy Statement and provided training on the contents of the document. 5. The factory provide an accurate site description and Sedex site profile declared prior to during the audit. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Code of Conduct 2. Training records 3. Management interviews 4. ETI management manual 5. Sedex SAQ 		

0. Enabling accurate assessment

Data points

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

Did any workers selected by the auditor decline to be interviewed? No

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>1) Policies & Procedures: The factory's Prevention of forced labor, discrimination, and harassment control procedures in place to manage this issue at the site includes all relevant requirements of the code area, and further detail can be found in the 'Recruitment and On boarding' procedure. Employees are free to choose whether to work overtime or not, employees can easily apply for leave and no cases of forced labor have been found.</p> <p>2) Resources: Human resources are dedicated to conducting fair and thorough recruitment processes, with trained staff handling interviews and evaluations. A senior manager is responsible to ensure compliance on this module. But this role was also taking responsibility for other management, not a dedicated role.</p> <p>3) Communication & Training: All employees involved in the recruitment process receive regular training on unbiased hiring practices. They are educated on how to avoid unconscious biases during interviews and evaluations. Internal communication within the recruitment team is also enhanced to ensure everyone is aligned with the principles of free choice in employment. All employees have done a series of relevant training and verified the effectiveness of the training.</p> <p>4) Monitoring: Employees report relevant issues to the factory management representative through the appeal mechanism, and monitor and implement relevant policies effectively.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. The factory had a policy which prohibits forced labour and workers could be freely resignation after communication with management in advance 30 days notification. 2. There was an application procedure which stated that workers present their ID's for proof of age but only copies should be kept in the personnel files and the original given back to the workers. 3. The terms and conditions of employment in the handbook state that the workers were free to leave the workplace outside of their working hours. 4. The workers did not require lodging deposits or their Identity papers to the factory at the beginning of employment. 5. No forced, bonded or involuntary prison labour was identified during the audit. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Personnel files 2. Resignation records 3. Factory rules 4. Worker handbook 5. Management and workers' interview 		

1. Employment is freely chosen

Data points

If required under local law, is there a published 'modern slavery' or similar statement? Not Applicable

Does the site utilise any workers who are prisoners? No

Does the site use the labour of persons required to work under any government scheme? No

1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>1) Policies & Procedures: The factory's Human Resource Management Procedure outlining the systems in place to manage this issue at the site includes all relevant requirements of the code area. Employees can freely choose their careers without any recruitment fees.</p> <p>2) Resources: A senior director is assigned responsibility for implementation, and aware of the responsibilities. But this role was also taking responsibility for other management, not a dedicated role. The senior director has received a high level of internal training on the policy and used the knowledge to develop effective processes in the factory.</p> <p>3) Communication & Training: All employees have done a series of relevant training. They are trained to recognize genuine and fake documents. There are also mechanisms to communicate with government agencies if needed for additional information or clarifications.</p> <p>4) Monitoring: Employees report relevant issues to the factory management representative through the appeal mechanism, and monitor and implement relevant policies effectively.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. Based on document review, management and worker interview, workers in the factory were Chinese. All workers had the proper legal rights to work in this region. 2. All of the workers were recruited directly by the factory and no agency was involved in the factory's recruitment processes. 3. Recruitment procedures and employment procedures, the factory had established Recruitment procedures and employment procedures, and the factory would review the workers' original documents such as ID cards during the recruitment. 4. No agency staff was used by the factory. 5. The factory collected related laws on entitlement to work and immigration. 6. According to hiring records and payroll records, the factory did not charge employees for hiring during the hiring process and during the work period. There was also no feedback from workers on recruitment fees during the audit. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Hiring procedure 2. Personnel files and labour contracts 3. Employee handbook 4. Employee roster 5. Worker interview and management interview 		

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

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

Migrant workers

Do any workers migrate across international borders to work at this site?	No
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[← Code area 1.A](#)

[Code area 2 →](#)

Percentage of workers that are migrant 2%

Do any workers migrate from other states, provinces or regions within the country to work at this site? Yes

List the sending states/provinces/regions Jilin Province

Recruitment fees

Were you able to detect recruitment fees and costs paid by workers during the recruitment and employment process? Not Applicable

Were recruitment fees or costs identified during worker interviews? No

Workers pay no recruitment fee at any stage of the recruitment process.

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>1) Policies & Procedures: The company has a procedural policy regarding "respect for freedom of association and collective bargaining rights" and is likely to result in ongoing compliance with all workplace requirements in the base code area now and in the future.</p> <p>2) Resources: The company has appointed the manager to responsible for this area and understands his duties, who also has the qualifications to manage the demands of the workplace. However, the manager also has other management roles, which may cause problems in subsequent management.</p> <p>3) Communication & Training: The factory has regular training and communication policies and procedures for all relevant workers, including managers and supervisors. But the training content can be further improved.</p> <p>4) Monitoring: The company adopt measures and practices like providing a meeting room for the worker committee or union to deal with their affairs if needed.</p>

Summary of findings

[← Code area 1.A](#)

[Code area 3 →](#)

Code area	Workplace requirement	Area of NC	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. There was no trade union in the factory, but there were 3 elected worker representatives. 2. The workers could rise up their opinion through worker representative, suggestion box or communicate with their supervisor directly. 3. The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). As a consequence, all trade unions of factories in China are under the management of ACFTU. And most of the trade union representatives are appointed directly by it. Additionally, the trade union activity is limited on the right to organize and bargain collectively in China. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Interview with workers 2. Interview with managers 3. Interview with worker representative 4. Social responsibility policy 5. Meeting records 		

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

Data points

Are trade unions allowed by law in the national context? Yes

Are there any registered trade unions in the workplace? No

Are they active?

Does the employer recognise the trade union? Not Applicable

Are the worker representative bodies, trade union or otherwise, accessible to all workers, including more vulnerable workers (such as female, migrant, agency, and seasonal workers)? Yes

Are the worker representatives freely elected by the workforce as a whole? Yes

Does union/worker committee membership reflect the gender composition of the workforce? Not Applicable

Does the membership reflect the nationality composition of the workforce? Not Applicable

Has there been any industrial action (e.g. strikes, unrest, or cases raised to formal tribunals or labour courts) in the past two years? No

[← Code area 2](#)

[Code area 3 →](#)

3. Working conditions are safe and hygienic

Management systems

<p>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</p>	<p>Robust Management Systems</p>
<p>Appoint a manager with sufficient seniority who is responsible for implementing procedures</p>	<p>Some Improvements Recommended</p>
<p>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</p>	<p>Some Improvements Recommended</p>
<p>Monitor the effectiveness of procedures to meet policy and workplace requirements</p>	<p>Some Improvements Recommended</p>
<p>Explanation for management systems grades</p>	<p>Policies and procedures: The factory established "Occupational Health and Safety Management Manual" to ensure working conditions were safe and hygienic, that included all relevant requirements of the code area, such as building safety, fire safety, electrical and machine safety, chemical safety, first aid, PPE, etc.</p> <p>Resources: The plant's manager is responsible for health and safety and has an adequate understanding of the relevant requirements. And a Health and Safety committee was established to maintain the factory's system and operation. However, the manager also has other management roles, which may cause problems in subsequent management.</p> <p>Training: The management had received a high level of external training on H&S, got relevant certificate, and organized regular training for all workers, including fire drill and kept relevant training records. However, some workers forgot the training content, despite receiving the training.</p> <p>Monitoring: Compliance with processes was monitored by the factory, such as internal audit and regularly self-check on Health and Safety. However, the kitchen of this factory did not have the food business license.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.U Ensure any additional relevant legal requ...	Local law	NC ZAF601044847

[← Code area 2](#)

[Code area 4 →](#)

Systems and evidence examined to validate this code section

Current Systems:

1. General Health and Safety management

- Mr. Lu/ Manager was responsible for issue of Health & Safety in the factory.
- Minutes of meetings show that there were monthly meetings between H&S committee and H&S manager.
- Ventilation, temperature and lighting were adequate for the production processes.
- Sufficient clean toilets segregated by gender were available at all times to workers.
- The factory provided potable water to workers free of charge in workshop.

2. Fire Safety

- Evacuation plans were posted in workshop and understood by all interviewed workers.
- Sufficient firefighting equipment such as fire extinguishers, fire alarm and hydrants in production building. Regular inspection was taken by the factory per month.
- There were enough exits in each workshop and each shift.
- Fire drill was conducted in the factory and recorded.

3. Electrical safety

- Electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.
- One competent electrician in the factory and the qualification certificate were provided for review.

4. Chemical safety

- Chemical inventory list was available.
- Workers in the chemical store area confirmed that they had been trained on correct handling procedures as well as what to do in an emergency.

5. Medical services

- Sufficient first aid kits in each production area and they were well stocked.
- There were total 2 first aiders in the factory, and first aid certificate was provided for review.

Evidence details:

- Health and safety policy
- Health and safety manual
- Health and safety committee minutes
- Fire equipment maintenance records
- Training records
- Fire drill records
- MSDS
- Trained first aider register
- electrician certificate
- Accident records
- Interview with factory management and workers
- Onsite observation
- Worker interview and management interview

Findings: non-compliances

Non-compliance

Due 2023-10-21

ZAF601044847

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.U Ensure any additional relevant legal requirements concerning health & safety are met.

Time given to resolve

60 days

Issue title

337 - No/inadequate hygiene checks and/or catering licence in the canteen

Verification method

Desktop audit

Description

Based on document review and management's interview, kitchen of the factory has no food distribution licenses. 根据文件审核和管理层访谈，工厂的食堂没有取得经营许可证。

Area of non-compliance/non-conformance

Local law

Description (carried over)

Based on document review and management's interview, kitchen of the factory has no food distribution licenses. 根据文件审核和管理层访谈，工厂的食堂没有取得经营许可证。

Corrective and preventative actions

Factory should apply the food distribution licenses for the kitchen. 工厂应为食堂申请经营许可证。

Corrective and preventative actions (carried over)

Factory should apply the food distribution licenses for the kitchen. 工厂应为食堂申请经营许可证。

Local law reference

Food Safety Law of the People's Republic of China (2021 Amendment), Article 35 The state shall adopt a licensing system for food production and trade. Those intending to engage in the production or sale of food, or the catering services shall legally obtain a permit. However, a permit is not required for the sale of edible farm produce and the sale of prepackaged food only. If only prepackaged food is sold, it shall be filed and registered with the food safety supervision and administration department of the local people's government at or above the county level.

* PDF generated at 07:08 (UTC) on 18 Aug 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 3](#)

[Code area 4 →](#)

3. Working conditions are safe and hygienic

Data points

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

[← Code area 3](#)

[Code area 4 →](#)

Does the site have a structural engineer evaluation? Yes

[← Code area 3](#)

[Code area 4 →](#)

4. Child labour shall not be used

Management systems

<p>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</p>	<p>Robust Management Systems</p>
<p>Appoint a manager with sufficient seniority who is responsible for implementing procedures</p>	<p>Robust Management Systems</p>
<p>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</p>	<p>Some Improvements Recommended</p>
<p>Monitor the effectiveness of procedures to meet policy and workplace requirements</p>	<p>Robust Management Systems</p>
<p>Explanation for management systems grades</p>	<p>Policies and procedures: The factory established procedure and policy about child labour, including young worker protection and how child labour would be remediated, and further detail could be found in the recruitment management procedure and policy.</p> <p>Resources: Factory's HR team leader was assigned responsibility for implementation and aware of the responsibilities. The factory evaluated the ability of relevant management personnel annually, the evaluation showed that the HR manager had the necessary skills and seniority to manage this issue.</p> <p>Training: HR team leader had enough knowledge on child labour and provided relevant training to other workers. All interviewed workers clearly knew the legal age and they all met the legal age when they joined the factory. But some workers didn't know the relevant requirement about young workers.</p> <p>Monitoring: HR team leader was directly responsible for the compliance of the process. Applicants would be asked to provide original ID cards and verified during recruitment. The factory conducted an internal audit and management review on the social responsibility system every year, took corrective and preventive actions against non-conformances and make continuous improvement.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1.The factory established effective procedure to check the workers' ages during the recruitment and the factory provided ID copies for review. 2.Based on workers interview and personal files review, no child labour was identified during the audit. 3.The youngest worker was 22-year-old who was born on Oct. 25, 2002 and joined in the factory on Mar 01, 2024. <p>Remark: In China, minimum age of worker is 16 years old. Workers between 16 -18 are regarded as young labour.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Recruitment policies 2.Workers' personal files, Employment registration/roster 3.Latest list of workers 4.Worker interview, management interview 		

[← Code area 3](#)

[Code area 5 →](#)

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	2%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	22
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	No

[← Code area 4](#)

[Code area 5 →](#)

5. Legal wages are paid

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Some Improvements Recommended
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required
Explanation for management systems grades	<p>1) Policies & Procedures: The factory's Salary and Benefit policy outlining the systems in place to manage this issue at the site, wage calculation methods are clearly defined, aligning with local labor laws, covering aspects like base pay and overtime. There are strict procedures for payroll processing, with detailed guidelines for timekeeping, deductions, and bonuses. However, the procedure regarding social security still need to be improved.</p> <p>2) Resources: A senior director is assigned responsibility for implementation, and aware of the responsibilities. But this role was also taking responsibility for other management, not a dedicated role. The senior director has received a internal training on the policy and used the knowledge to develop effective processes in the factory.</p> <p>3) Communication & Training: All employees have done a series of relevant training on wage policies during on boarding, and regular refresher courses are provided to keep them updated. Multiple communication channels, such as staff meetings, posters, and suggestion box, are used to convey wage - related information. But factories need to continue to improve the training of workers on living wage information.</p> <p>4) Monitoring: There are monitoring procedures for risks in terms of benefits, wages, etc., but the monitoring is not effective enough. Such as the factory has not paid for all the workers who meet the conditions for social security contributions.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC ZAF601044845
	5.B Ensure that workers receive the insurance...		GE ZAF601058410
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. There were written policies established on wages and benefits and which were communicated to workers during recruitment process; while, the factory provided employees manual to workers, too. 2. The factory provided the payrolls from Sep 2024 to Jun 2025 and attendance records from Sep. 01, 2024 to the audit date for review. 3. The local legal minimum wage was RMB 2010 /month (equivalent to RMB 11.55 /hour) since Oct 1, 2023. Based on payrolls provided the factory, all workers' minimum wages paid by the factory was above the legal minimum requirements. 4. All workers' wages were calculated by hourly wage. 5. Disciplinary deductions were not defined in the factory. 6. Annual leave was adequate for workers. 7. All workers were paid before the end of the following month by cash and pay slip was provided. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Attendance records 2. Workers' interview 3. Wages and benefits policy 4. Local legal minimum wage documents 5. Payroll records 6. Leave records 7. Resignation records 8. Payslips of all workers interviewed 		

[← Code area 4](#)

[Code area 5.A →](#)

Findings: non-compliances

ZAF601044845

Non-compliance

Due 2022-05-29

<p>Code area</p> <p>5 Legal wages are paid</p> <p>Workplace requirement</p> <p>5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.</p> <p>Issue title</p> <p>423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic</p> <p>Description</p> <p>Insufficient social insurance coverage was detected during the audit. Per the provided social insurance contribution documents of Jul. 2025, factory provided social insurance (retirement, accident, unemployment, medical and maternity) with 26 (65%) out of 40 workers (2 hired within one month, 42 already reached the retirement age). In addition, 65 employees were covered by commercial accident insurance.</p> <p>审核员发现工厂的社会保险覆盖不足。根据工厂提供的2025年7月份的社保缴费单显示，工厂为40名员工（2名入厂一个月内，42名到达退休年龄）中的26名员工（65%）提供了社会保险（养老、工伤、失业、医疗、生育）。同时，工厂为65名员工购买了商业意外险。</p> <p>Description (carried over)</p> <p>Insufficient social insurance coverage was detected during the audit. Per the provided social insurance contribution documents of Aug.2024, factory provided social insurance (retirement, accident, unemployment, medical and maternity) with 27 (56%) out of 68 workers (0 hired within one month, 20 already reached the retirement age). In additon, 61 employees were covered by commercial accident insurance.</p> <p>审核员发现工厂的社会保险覆盖不足。根据工厂提供的2024年8月份的社保缴费单显示，工厂为68名员工（0名入厂一个月内，20名到达退休年龄）中的27名员工（56%）提供了社会保险（养老、工伤、失业、医疗、生育）。同时，工厂为61名员工购买了商业意外险。</p> <p>Corrective and preventative actions</p> <p>The factory should provide social insurance for employees as per legal requirements. 工厂应当根据法规要求向员工提供社会保险。</p>	<p>Status</p> <p>Open*</p> <p>Time given to resolve</p> <p>90 days</p> <p>Verification method</p> <p>Follow up audit</p> <p>Area of non-compliance/non-conformance</p> <p>Local law</p>
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[← Code area 5](#)

[Code area 5.A →](#)

Corrective and preventative actions (carried over)

The factory should provide social insurance for employees as per legal requirements. 工厂应当根据法规要求向员工提供社会保险。

Local law reference

Labor Law of the People’s Republic of China (2018 Amendment) Article 72, The sources of social insurance funds shall be determined according to the categories of insurance, and an overall pooling of insurance funds from the society shall be introduced step by step. The employing unit and laborers must participate in social insurance and pay social insurance premiums in accordance with the law. Article 73, Laborers shall, in accordance with the law, enjoy social insurance benefits under the following circumstances: 1. Retirement; 2. Illness or injury; 3. Disability caused by work-related injury or occupational disease; 4. Unemployment; and 5. Child-bearing.

Explanation of difference in resolution time or verification method from the SMETA issue title recommendation

Timescales was confirmed by factory.

Evidence



[Insufficient social security.JPG](#)



* PDF generated at 07:08 (UTC) on 18 Aug 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

Findings: good examples

ZAF601058410

Good example

Code area

5 Legal wages are paid

Workplace requirement

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

Description

Factory provided free meal and dormitory for workers.
工厂为员工提供了免费的餐食和宿舍。

Evidence



[dormitory.JPG](#)



[canteen.JPG](#)



5. Legal wages are paid

Data points

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

Worker remuneration

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

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

[← Code area 5](#)

[Code area 5.A →](#)

Maximum legal working hours	Max hours per day	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable
Actual required working hours	Required hours per day	8.0
	Required hours per week	40.0
	Required hours per month	184.0
Maximum legal overtime hours	Max hours per day	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	Max hours per day	2.0
	Max hours per week	12.0
	Max hours per month	56.0
Minimum legal wage	Min per hour	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	2010.0
Actual minimum wage	Actual per hour	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	2624.0

[← Code area 5](#)

[Code area 5.A →](#)

Minimum legal overtime wage	Min per hour	17.33
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	Actual per hour	22.62
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	30
Provide the date and details of the records	10 samples from Jun. 2025 (Current month) 10 samples from Mar. 2025 (Random month) 10 samples from Nov. 2024 (Random month)
Are there different legal minimum/legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Above legal minimum
Indicate the breakdown of workforce per earnings	100% of workforce earning above minimum wage.
Are there any bonus schemes used?	No

Were accurate records shown at the first request? Yes

Were any inconsistencies found? No

[← Code area 5](#)

[Code area 5.A →](#)

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1.The factory reviewed workers' total pay yearly and compared it with a credible 'living wage' to calculate a 'living wage gap'. And the internal data included in the gap analysis matches the site's pay records made available to the auditor, and cover the entire workforce. 2. The factory used Wage Indicator Typical Family Methodology to calculate living wage. Based on wage records and gap assessments, all workers' wages meet the living wage. <p>Details:</p> <ol style="list-style-type: none"> 1.Living wage gap analysis record 2.Wage improvement plan 		

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required
Explanation for management systems grades	<p>1) Policies & Procedures: The factory's Working Hours Policy outlining the systems in place to manage this issue at the site includes all relevant requirements of the code area. Documents clearly assign responsibilities, processes in place and address all code areas.</p> <p>2) Resources: A senior director is assigned responsibility, and he was aware of his responsibilities. However this role was also taking responsibility for other management, not a dedicated role.</p> <p>3) Communication & Training: All employees have received an internal training on working hours and overtime of training programs and have used their knowledge to develop effective processes in place. Regular communication channels, such as team meetings, bulletin boards, and internal messaging systems, are used to remind employees of the working hour limits and to update them on any changes in the schedule. Due to workers' incomprehension of the training content and incomplete communication, the training results are different from the ideal results.</p> <p>4) Monitoring: Adherence to the processes is monitored via departmental reporting to the manager. But the workers' working hours were not effectively monitored, all the sampled workers' monthly overtime exceeded legal required 36 hours.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601044846
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. Through employees' interview, overtime was voluntary. 2. The factory provided attendance records of all workers from Sep. 01, 2024 to the audit date. According to time records and worker interview, standard working time was 5 days per week and 8 hours per day. The kitchen workers worked in one shift from 9:00 to 13:00 and from 14:00 to 18:00. The rest workers worked in one shift from 7:30 to 17:00 with a lunch break from 11:30 to 13:00. 3. Based on worker interview and management interview, the working hours of workers were recorded by fingerprint recognition. 4. The records show that workers had at least one day off per week. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Workers' interview 2. Management interview 3. Local and national laws 4. Factory policy on working hours 5. Sample pay slips with recorded hours of all workers interviewed 6. Workers' contracts 7. Production records to cross check hours 		

Findings: non-compliances

ZAF601044846

Non-compliance

Due 2022-05-29

Code area

6 Working hours are not excessive

Status

Open*

Workplace requirement

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

Time given to resolve

90 days

Issue title

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

Verification method

Follow up audit

Description

Workers' monthly overtime exceeded the legal requirements. Based on worker interview and the attendance records from Sep. 01, 2024 to the audit date, it was noted that the attendance findings of 10 sampled workers (selected from all departments) in Jun 2025 (current month), Mar 2025 (random month) and Nov 2024 (random month) were as follows: 10 out of 10 sampled workers' monthly overtime hours in Jun 2025 exceeded the legal requirement of 36 hours which were 50 hours in maximum. 10 out of 10 sampled workers' monthly overtime hours in Mar 2025 exceeded the legal requirement of 36 hours which were 48 hours in maximum. 10 out of 10 sampled workers' monthly overtime hours in Nov 2024 exceeded the legal requirement of 36 hours which were 56 hours in maximum. The factory has performed Standard Working Hour System for workers (No waiver for Comprehensive Working Hours System was obtained).

员工的月加班时间超出了法定标准。根据员工访谈和从工厂提供的2024年9月1日至审核当日的考勤记录中分别抽取2025年6月（当前月），2025年3月（随机月）和2024年11月（随机月）的各10名抽样员工（来自所有部门）的考勤发现：在2025年6月10名抽样员工中有10名员工的月加班时间均超过法规要求的36小时，最大为50小时；在2025年3月10名抽样员工中有10名员工的月加班时间均超过法规要求的36小时，最大为48小时；在2024年11月10名抽样员工中有10名员工的月加班时间均超过法规要求的36小时，最大为56小时。工厂执行标准工时制(未申请综合计时批文)。

Area of non-compliance/non-conformance

Local law

[← Code area 6](#)

[Code area 7 →](#)

Description (carried over)

30 samples were selected from the provided attendance records from Sep.01, 2023 to Aug.29, 2024, including 10 employees from Jun. 2024 (current month), 10 employees from May 2024 (low month) and 10 employees from Dec.2023 (peak month). The monthly overtime hours for all 30 samples exceeded the legal limit. Detailed information was as follows:

The maximum monthly overtime hours for all 10 employees selected from all working processes in Jun.2024 were 56 hours, exceeding the legal limit of 36 hours per month.

The maximum monthly overtime hours for all 10 employees selected from all working processes in May 2024 were 50 hours, exceeding the legal limit of 36 hours per month.

The maximum monthly overtime hours for all 10 employees selected from all working processes in Dec. 2023 were 56 hours, exceeding the legal limit of 36 hours per month.

审核员从工厂提供的2023年9月1日至2024年8月29日的考勤记录中抽样了30个样本，包括2024年6月10名员工（当前月），2024年5月份10名员工（淡季月份）和2023年12月份10名员工（旺季月份）。所有30个样本本月加班超过法律规定要求。具体信息如下：

从所有车间抽取的10名员工在2024年6月份最大月加班为56小时，超过法律规定的每月不得超过36小时要求。

从所有车间抽取的10名员工在2024年5月份最大月加班为50小时，超过法律规定的每月不得超过36小时要求。

从所有车间抽取的10名员工在2023年12月份最大月加班为56小时，超过法律规定的每月不得超过36小时要求。

Corrective and preventative actions

The factory should ensure all workers' overtime hours are in accordance with local law. 工厂应确保员工的加班时间满足法规要求。

Corrective and preventative actions (carried over)

The factory should ensure all workers' overtime hours are in accordance with local law. 工厂应确保员工的加班时间满足法规要求。

Local law reference

Labor Law of the People's Republic of China (2018 Amendment), Article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	Not applicable
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	50.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	52.0
Maximum number of days worked without a day off in sample	6

[← Code area 6](#)

[Code area 7 →](#)

7. No discrimination is practiced

Management systems

<p>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</p>	<p>Robust Management Systems</p>
<p>Appoint a manager with sufficient seniority who is responsible for implementing procedures</p>	<p>Robust Management Systems</p>
<p>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</p>	<p>Some Improvements Recommended</p>
<p>Monitor the effectiveness of procedures to meet policy and workplace requirements</p>	<p>Robust Management Systems</p>
<p>Explanation for management systems grades</p>	<p>Policies: The factory established sufficient and robust policies and procedures regarding discrimination, that including details implementation, clearly assigned responsibilities, and processes in place.</p> <p>Resources: Factory's HR team leader was assigned responsibility for compliance with "Prohibition of Discrimination Management" program. The factory evaluated the ability of relevant management personnel annually, the evaluation showed that the HR manager had the necessary skills and seniority to manage this issue.</p> <p>Training: HR team leader received relevant training on discrimination and used the knowledge to provide internal training for workers. But some interviewed workers were not clear about the detailed requirement, they just said that they had not encountered any cases of discrimination, all requirements were fair for them.</p> <p>Monitoring: Compliance with the process was monitored directly by HR team leader and workshop director, and no grievances case was reported according to the record.</p>

Summary of findings

[← Code area 6](#)

[Code area 8 →](#)

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. According to management interview and workers' interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background, etc.; promotion was based on workers' ability and skill; training was based on working requirement. 2. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found. 3. There was no evidence of sexual harassment. 4. The management generally knew the requirement of non-Discrimination. 5. As informed by interviewed workers, most workers spoke highly of the factory owner. 6. There was a dedicated equity approach in recruitment, training, development and promotion processes. For example, the recruitment process is mainly based on the ability of workers to work. All employees can participate in the promotion process, and the promotion is decided by all employees' voting and work ability rating. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. The hiring and termination procedure, leave application records and worker handbook. 2. Payroll records 3. Attendance records 4. Termination records 5. Training record 		

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	5%
Representation of women in managerial roles (ratio of women workers to women managers)	6%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	0%
Three most common nationalities in managerial and supervisory roles	Chinese

8. Regular employment is provided

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory 'Social Responsibility program files' and 'Employee Manual' outlining the systems in place to manage this issue at the site includes main relevant requirements of the code area, and further detail can be found in the recruitment management procedures and labor contract.</p> <p>Documents clearly assign responsibilities, processes in place and address all code areas. They could be considered robust.</p> <p>A senior Manager was assigned responsibility for implementation and aware of the responsibilities. Manager has received training on employment, and used the knowledge to develop effective processes in place. Workers also know clearly what was in the labor contract, it could be considered robust.</p> <p>Compliance with the process is monitored directly by Manager, the subsequent monitoring of this policy was also relatively perfect, it can be considered robust.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 7](#)

[Code area 8.A →](#)

No findings

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

Current Systems:

1. No temporary worker, apprenticeship schemes worker was identified by the auditors.
2. No homework and apprenticeship schemes were found in this factory.
3. The factory signed labour contracts with workers when the workers were hired, and the factory provided a copy of the labor contract to all workers.

Evidence examined:

1. Employment procedure and requirements
2. Workers' interview.
3. Labour contracts.
4. Personal files.
5. Payroll records were provided for review

[← Code area 7](#)

[Code area 8.A →](#)

8. Regular employment is provided

Data points

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

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory 'Social Responsibility program files' outlining the systems in place to manage this issue at the site includes main relevant requirements of the code area, and further detail could be found in the supplier/sub-contractor management procedures.</p> <p>Documents clearly assigned responsibilities, processes in place and address all code areas, they could be considered robust. A senior Manager was assigned responsibility for implementation and aware of the responsibilities.</p> <p>Manager has received training on sub-contracting, and has used the knowledge to develop effective processes in place, it can be considered robust.</p> <p>Compliance with the process was monitored directly by manager, the subsequent monitoring of this policy was also relatively perfect, it could be considered robust.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 8](#)

[Code area 9 →](#)

No findings

Systems and evidence examined to validate this code section

Current Systems:

1. Based on onsite observation and management interview, no homework was identified in the factory.
2. The factory had established social accountability manual including sub-contracting control procedure.
3. No home-working was identified in the factory.
4. No sub-contractors was used by the factory.

Evidence examined:

1. Management interview
2. Social accountability manual
3. Onsite observation
4. Workers interview
5. Materials in/out records

[← Code area 8](#)

[Code area 9 →](#)

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

Data points

Are homeworkers employed directly or engaged through an agent? Not applicable

Gender disaggregated data available

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers? No
The supplier did not used homeworkers.

Sub-contracting

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

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used? No

[← Code area 8.A](#)

[Code area 9 →](#)

Audit company:
SGS-China

Audit reference:
ZAA600149895

Start Date:
2025-08-11

End Date:
2025-08-11

9. No harsh or inhumane treatment is allowed

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory "Social Responsibility Management Manual" outlining the systems in place to manage this issue at the site included main relevant requirements of the code area, and further detail could be found in the disciplinary procedures.</p> <p>Documents clearly assigned responsibilities, processes in place and address all code areas, they can be considered robust.</p> <p>A Senior Manager was assigned responsibility for implementation and aware of the responsibilities.</p> <p>Senior Manager has received a high level of external training on no harsh or inhumane treatment were allowed, and has used the knowledge to develop effective processes in place, it could be considered robust.</p> <p>Compliance with the process is monitored directly by Manager, the subsequent monitoring of this policy was also relatively perfect, it could be considered robust.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 8.A](#)

[Code area 10.A →](#)

No findings

Systems and evidence examined to validate this code section

Current Systems:

1. No negative evidence of mental / physical coercion was identified during the audit.
2. From workers' interview, they never witnessed any cases of physical abuse or discipline, sexual or other harassment and verbal abuse or other forms of intimidation existed in this factory.

Evidence examined:

1. The relevant policy on prevention of harassment and abuse.
 2. Internal grievance procedure documentation
 3. Training records
 4. Workers' interview and management interview
-

[← Code area 8.A](#)

[Code area 10.A →](#)

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	<p>Yes, there is a formal grievance process</p> <p>The grievance process is available to all workers</p> <p>The grievance process is available to members of the local community</p>
What type of grievance mechanism(s) are available?	<p>Suggestion box, worker representatives, etc. According to workers interview, they could express their suggestion and complaint to supervisors, worker Representatives or managers directly.</p>
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

10.A. Environment 2-Pillar

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Some Improvements Recommended
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and procedures: The factory "EHS committee management system" outlining the systems in place to manage this issue at the site includes main relevant requirements of the code area, and further detail could be found in the EHS Committee responsibilities. Documents clearly assigned responsibilities, processes in place and address all code areas, but the factory did not set proper plans and measures to protect workers from the effects of climate change.</p> <p>Resources: A senior manager was assigned responsibility for implementation and aware of the responsibilities.</p> <p>Training: The annual training plan developed by the factory includes content in this field, and both workers and management personnel have received training.</p> <p>Monitoring: Adherence to the process is monitored via reporting to the EHS Committee. The plant management system in the area of regulation, implementation and monitoring results conform to the principles of maintaining compliance.</p>

Summary of findings

[← Code area 9](#)

[Code area 10.B →](#)

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. Based on document review and confirmed with factory management, the factory provided Fixed pollution source registration for review. The factory learned about the environment impact of their site and took continuously management measures to control the environment impact. 2. Based on workers interview, they were trained on environmental protection. 3. The factory management maintained all legally required environmental documents in place which proved that the production of the factory followed the related environmental regulations. 4. The factory had procedure on environment protection and Mr. Lu/ Manager was appointed as response for environment performance. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Emergency action procedures. 2. Environment policy & procedure. 3. Worker and management interview. 4. Site tour. 		

10.A. Environment 2-Pillar

Data points

<p>Has the site received an official notice, fine or prosecution for any non-compliances with environmental legislation, regulation, consent or permits (within the last three years)?</p>	<p>No</p>
<p>Does the site have any valid environmental or energy management certificates?</p>	<p>NA, the site does not have any valid environmental or energy management certificates.</p>
<p>Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?</p>	<p>No</p>
<p>Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?</p>	<p>No</p>

[← Code area 10.A](#)

[Code area 10.B →](#)

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. Based on document review and confirmed with factory management, the factory provided Fixed pollution source registration for review. The factory learned about the environment impact of their site and took continuously management measures to control the environment impact. 2. Based on workers interview, they were trained on environmental protection. 3. The factory management maintained all legally required environmental documents in place which proved that the production of the factory followed the related environmental regulations. 4. The factory had procedure on environment protection and Mr. Lu/ Manager was appointed as response for environment performance. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Emergency action procedures. 2. Environment policy & procedure. 3. Worker and management interview. 4. Site tour. 		

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	<p>Prioritising local suppliers</p> <p>Packaging optimization</p> <p>Sustainable material sourcing</p>
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<p>Yes</p> <p>There is a environmental protection system in the factory for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.</p>
Does the site have reduction targets in place to manage climate related risks?	Yes, to reduce scope 1 greenhouse gases (GHGs)
Are any of these science-based targets?	No, but we anticipate setting one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<p>Yes</p> <p>The site had checked business partners operating on the premises have the appropriate permits and licences.</p>

Usage/discharge analysis

[← Code area 10.B](#)

[Code area 10.C →](#)

	Last full calendar year (2024)	Previous full calendar year (2023)
Total electricity consumption from non-renewable sources (kWh)	555,783	594,040
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	No usage of other purchased fuels	No usage of other purchased fuels
Has the site completed any carbon footprint analysis?	No	No
Water sources	local water authority	local water authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	202	224
Water discharged	Urban sewage pipeline network	Urban sewage pipeline network
Water volume discharged (m3)	161	179
Water volume recycled (m3)	0	0
Total waste produced (mt)	34.6	32

[← Code area 10.B](#)

[Code area 10.C →](#)

Total hazardous waste produced (mt)	0	0
Waste to recycling (mt)	12	10
Waste to landfill (mt)	0	0
Waste to other (mt)	22.6	22
Total product produced (mt)	3,602	3,650

[← Code area 10.B](#)

[Code area 10.C →](#)

10.C. Business ethics

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory has a robust procedural policy on “Business ethics” and are very likely to lead to sustainable compliance with all of the Workplace Requirements in the Base Code Area now and over time.</p> <p>The factory has appointed a senior manager in charge of this area, who has the necessary skills and has the seniority to manage Workplace Requirements, and is aware of her responsibilities.</p> <p>The factory provided effective training and communication of policy and procedures to all relevant workers, including managers and supervisors.</p> <p>Adherence to the processes is monitored via departmental reporting to the senior manager. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 10.B](#)

No findings

Systems and evidence examined to validate this code section

Current Systems:

1. Ms. Liu /Admin Manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery.
2. The company established a business ethics policy which was communicated to workers through posters and training.
3. The site had received and read the Business Ethics policy of the auditor/audit company.
4. There was an internal grievance process, which was suggestion box and/or worker representatives.
5. Based on documents review and management interview, it was noted that the factory signed Business Practice with the relevant suppliers.

Evidence examined:

1. The company business ethics policy including Bribery and Corruption
2. Training records
3. Worker handbook
4. Worker and management interview

[← Code area 10.B](#)

10.C. Business ethics

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with business ethics legislation, regulation, consent or permits (within the last three years)?

No

Provide any certified anti-bribery management systems for the site

NA, There was no certified anti-bribery Management Systems for the site.

[← Code area 10.C](#)

Attachments



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11, 2025-Annual-Photo
Report.pdf](#)



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