Sedex Members Ethical Trade Audit Report

Version 7

Sedex, 18 St Swithin's Lane, London, EC4N 8AD, United Kingdom

Contents

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

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Findings →

Audit details

Site details

Sedex site reference	ZS1011275	**Site name**	JAKOS (SHENZHEN) LIMITED
Business name	JAKOS LIMITED	**Site address**	101, D BUILDING, NO. 1 XIANGJIANG ROAD, JIANGLING COMMUNITY, MA LUAN STREET, PING SHAN DISTRICT SHENZHEN CN 518118

Audit details

Sedex company reference	ZC1086270	**Auditor company name**	BUREAU VERITAS CPS - ASIA
Audit company address	7th Floor. Octa Tower. 8 Lam Chak Street, Kowloon Bay, Kowloon, HONG KONG, CN, -		
Date of audit	2026-06-10	**Audit conducted by**	Regent Shi
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out	Day 1		Day 2	
	In	09:20	In	08:20
	Out	17:20	Out	12:20
Audit type	Periodic			

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Findings →

Was the audit announced?	Announced
Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Mr. Qiu Fengxiang / Manager
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

	Senior management	**Worker representative**	**Union representative**
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	No union was established in factory		
Reason for absence during the audit	No union was established in factory		
Reason for absence at the closing meeting	No union was established in 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)	1.This audit includes elements beyond the scope of a Social Compliance Audit as defined by the APSCA Competency Framework. The association of the auditor's APSCA number with this report is limited to those elements outlined in the APSCA Competency Framework. APSCA makes no representations with respect to the auditor's competency to professionally evaluate compliance with any other audit elements. 2.It is announced audit.		
Lead auditor	Regent Shi	**APSCA Number**	21701221
Additional auditor			

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Findings →

Auditor team

Date of declaration	2026-06-11

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	Mr. Qiu Fengxiang
Title	Manager
Date of declaration	2026-06-11

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601464803
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601464805
	3.O Implement an appropriate electrical safet...	Local law	NC ZAF601476091
6. Working hours are not excessive	6.D Ensure that working hours do not exceed 6...	Base code	NC ZAF601464806
	6.D Ensure that working hours do not exceed 6...	Base code	NC ZAF601464807
	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601464804

Management systems

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

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly	✓	✓	ⓘ	✗
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

← Summary of findings

Site details →

Site details

Company and site details

Sedex company reference	ZC1086270	
Sedex site reference	ZS1011275	
Company name	JAKOS LIMITED	
Business ownership type	GOODS	
Site name	JAKOS (SHENZHEN) LIMITED	
Site name in local language	家国工艺品（深圳）有限公司	
GPS location	**GPS address**	101, D BUILDING, NO. 1 XIANGJIANG ROAD, JIANGLING COMMUNITY,, MA LUAN STREET, PING SHAN DISTRICT
	Coordinates	Latitude: N 22°40’59” Longitude: E 114°21’12”
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Mr. Qiu Fengxiang
	Job title	Manager
	Phone number	852-23575990
	Email	PAUL@JAKOS.COM.CN

← Management systems
Worker analysis →

Company and site details

Applicable business and other legally required business license numbers and documents	1.Business License number: 914403005747550071 Valid from May 27, 2011 to long term; 2. Fire Protection Acceptance Check was issued on August 10, 2005, and without expiry date; 3. Report of inspection for completed building construction project was issued on March 25, 2005, and without expiry date.

Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier	
Site activities	**Primary**	Manufacture of jewellery and related articles
	Secondary	
	Other	
Product type	Product: Music boxes	
Process overview	Product: Music boxes Main operations: Die cutting, gluing, assembly, inspection and packing. There were 3 production lines in the factory. Main machines: Die cutting machines, gluing machines, and packing machines.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	No The facility occupied the 1st floor of one 4-storey production building. The other floors belonged to other factories. The business licenses and lease contracts were provided for review. All the factories in the same building operated separately, they had independent business licenses and different management systems. Per factory tour, employees' interview and management interview, no commingling worker was noted. Therefore, other factories were not included in the audit.

Site scope

Building 1	**Last construction works on site**	2005
	If building is shared, provide details	The facility occupied the 1st floor of one 4-storey production building. The other floors belonged to other factories. The business licenses and lease contracts were provided for review. All the factories in the same building operated separately, they had independent business licenses and different management systems. Per factory tour, employees' interview and management interview, no commingling worker was noted. Therefore, other factories were not included in the audit.
	Number of floors	4
	Description of floor activities	1F: Die cutting, gluing, assembly, inspection and packing workshop, office, warehouse 2F to 4F: Other factories

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

← Site details

Worker analysis →

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No
Does the site organise worker transport to the worksite?	Not applicable The transportation is not needed as workers lived near the site. No law requirement.

Work patterns

Approximate workers on site per month (% of peak)	**January**	40-60%	**February**	40-60%
	March	40-60%	**April**	40-60%
	May	90-100%	**June**	90-100%
	July	90-100%	**August**	90-100%
	September	90-100%	**October**	90-100%
	November	90-100%	**December**	90-100%
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?	Yes Assessments on the human rights, lands, resources, territories, livelihoods of the local community were conducted.

← Site details

Worker analysis →

Site assessments

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.

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men		Women		Other		Total	
Number of workers	35	*(41.2%)*	50	*(58.8%)*	-	-	85	*(100%)*

Workers by type

	Men		Women		Other		Total	
Permanent workers (employees)	35	*(41.2%)*	50	*(58.8%)*	-	-	85	*(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	28	(41.2%)	40	(58.8%)	-	-	68	(80%)
International migrant workers	0	-	0	-	-	-	0	(0%)
Total migrant workers	28	(41.2%)	40	(58.8%)	-	-	68	(80%)

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from	Hunan, Guangxi, Sichuan, Chongqing, Jiangxi

Workers by age

	Men		Women		Other		Total	
18 - 24 years old	0	(0%)	1	(100%)	-	-	1	(1.2%)
15 - 17 years old	0	-	0	-	-	-	0	(0%)
Under 15 years old	0	-	0	-	-	-	0	(0%)

* % of total workforce

Is the worker analysis data relevant for peak season and current to the audit?	No
Describe how this may vary during peak periods	No peak or slack season in factory.
Please list the nationalities of all workers, with the three most common nationalities listed first	Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	41%	59%	-	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	35	*(41.2%)*	50	*(58.8%)*	-	-	85	*(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	35	(41.2%)	50	(58.8%)	-	-	85	(100%)
Other	0	-	0	-	-	-	0	(0%)

* % of total workforce

If other payment cycle entered, please provide details	No other payment cycle and employees were all paid monthly.

People in managerial, supervisorial and administrative roles

	Men		Women		Other		Total
Employees in management positions	3	(100%)	0	(0%)	-	-	3
Supervisors or team leaders	3	(100%)	0	(0%)	-	-	3
Administrative staff	2	(50%)	2	(50%)	-	-	4

← Worker analysis

Worker interviews →

Worker interview summary

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

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

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

← 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) Workers did not raise significant concerns or complaints.
What did the workers like the most about working at this site?	Equal opportunities Hours worked, rest days or breaks Overtime Pay
Additional comments	10 workers were selected for interview, they were interviewed as 1 group of 5 and 5 workers were interviewed individually. In the interview process, they were frank; no hint or coaching by management was noted. The workers' attitudes to factory management were favorable. They were satisfied with the working condition and the management's behaviors. No negative information was raised during this audit. Apart from the 10 workers interviewed listed in the worker analysis table, another 2 employees were interviewed for business ethics and 2 employees for environment as this is a 4-pillar audit.
Attitude of workers' committee/union representatives	The worker's committee stated that managements were polite to them.
Attitude of managers	At the opening meeting, auditors explained the audit scope and the audit standard to the factory representative. Factory tour, document review, interviews of management members and workers were conducted as scheduled. A full audit was finished under the co-operation with the factory representatives. During the factory tour, auditors were allowed to access the whole factory area. Factory management also allowed auditor to select the samples, review documents, and interview production workers in a private and confidential manner.

← Worker analysis

Measuring workplace impact →

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	1	4	-	5
Workers interviewed individually	2	3	-	5

← Worker analysis
Measuring workplace impact →

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	3	5	-	8
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	3	5	-	8

← Worker interviews

Measuring workplace impact →

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	2.0%	2.0%	-	4.0%
Last full calendar year (2025)	1.0%	3.0%	-	4.0%
Previous full calendar year (2024)	2.0%	1.0%	-	3.0%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

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 recorded that no accidents occurred in past one year.

← 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 (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	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 (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	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 (2025)	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 (2024)	0.0%	0.0%	-	0.0%

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

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

← Measuring workplace impact

Code area 0 →

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
		No findings	

Systems and evidence examined to validate this code section	Current systems: 1. Factory tour, document review, interviews with management members and workers were conducted as scheduled in the audit programs, a full audit was finished under the co-operation of the factory representatives. 2. The facility published a human rights statement on their intranet and formal training was given to employees on the need to protect human rights. The terms and conditions for employees were stated in the employee handbook. 3. Factory's management knew the applicable laws, their end client's Business Ethics standards/code requirements. A system was in place to monitor their performance against the integrity issues. 4. The factory established the documented Business Ethics policy concerning bribery, corruption, or unethical Business Practice, which was clearly communicated to all relevant parties, including their suppliers. If had ethical issues found would be investigated and resolved. 5. Relevant training was provided to employees, whose job roles carry a higher level of risk in the area of ethical Business Practice. Evidence examined – to support system description Policy and procedures on human rights and business ethics Social responsibility policy Payroll and time records Production records Training records Records for raised ethical issues Management interview and worker interview

← Measuring workplace impact

Code area 1 →

0. Enabling accurate assessment

Data points

Has the site received an official notice, fine, prosecution, or withhold release order (WRO) for non-compliance with legislation, regulation, consent, or permits within the last three years, relating to Health and Safety, labour rights or the environment?	No
Did any workers selected by the auditor decline to be interviewed?	No
Were any external stakeholders such as consultants, customer representatives, industry experts etc. present during the audit?	No

← Code area 0

Code area 1 →

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The facility had established procedures and policies to ensure employment is freely chosen. These procedures and policies aligned with local laws and regulations. A clear process was in place to update documentation in response to changes in requirements or situations. 2. The facility assigned factory manager to oversee compliance with policies related to freely chosen employment. The designated person was fully aware of the responsibilities and received adequate training to gain the necessary skills and knowledge to carry out the tasks effectively. 3. Relevant workers, managers, and supervisors received comprehensive training on the policies and procedures ensuring employment was freely chosen. Training was conducted based on a documented plan, which included evaluations and refresh sessions. Training topics were clearly defined to guide implementation and ensure compliance with policies. 4. The facility conducted an annual internal audit to assess the implementation of procedures and policies related to freely chosen employment. A mechanism was also established to monitor compliance with legal requirements and permits/licenses. Corrective actions were required when any defect was found.

← Code area 0

Code area 1.A →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. The factory established the employment policy and procedures, which include requirements for no forced, bonded or involuntary prison labor. 2. Employee Handbooks were provided for all workers when joining the factory. 3. Employees within their probation period were free to resign from the factory in 3 days after submitting the written notice. 4. The permanent employee, who was not in probation period, could choose to continue working or resign freely. 5. If she/he chose to resign from the factory, she/he could submit the written notice to their supervisor or HR and left the factory one month later. 6. For the resigned employees, they would be paid off their full wages on the day of resignation, which was in accordance with the legal requirement. 7. Employees were free to leave their work station during working and free to leave the factory after work shift. No bonded or involuntary prison labor was identified. 8. The factory did not detain any original documents such as ID Cards or Educational Certificates etc. 9. No deposit was paid from employees to the factory. Evidence examined – to support system description 1. Established employment policy and procedures 2. Employee handbook, hiring procedure, training records 3. Personnel files 4. Employee contracts 5. Facility tour 6. Management interview and employee interview

← Code area 0

Code area 1.A →

1. Employment is freely chosen

Data points

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

← Code area 1

Code area 1.A →

1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The facility had established procedures and policies to ensure responsible recruitment and verify workers' entitlement to work. These procedures comply with local laws and regulations. A clear process was defined to update documentation when requirements or situations change. 2. Factory manager was appointed to manage recruitment practices and ensure workers' entitlement to work. The designated person was fully aware of the responsibilities and received training to acquire the necessary knowledge and skills for effective implementation of the duties. 3. Relevant workers, managers, and supervisors were provided with training on responsible recruitment practices and procedures for verifying entitlement to work. Training followed a documented plan, including assessments and refresh courses. The training topics were explicitly outlined to guide proper implementation. 4. The facility conducted an annual internal audit to monitor compliance with responsible recruitment procedures and entitlement-to-work verification. Additionally, a mechanism was established to track and ensure adherence to legal requirements and the validity of permits/licenses. Corrective actions were required when any defect was found.

← Code area 1

Code area 2 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: Based on management interview and employee interview, it was noted that the factory recruited workers through poster at the factory gate and introduction of existing workers and established the procedure for screening job applicants through checking the original identification certificates and other background information, to ensure that there are no cases where employees without the legal right to work are hired. Only workers with a legal right to work shall be employed or used by the factory. There were no agency staff, employment agencies, no immigrant workers from other countries. There was no recruitment fees or related costs incurred or charged to workers, relevant policy and procedures were established accordingly. Evidence examined – to support system description Social compliance procedures, training records, personnel files. etc. Hiring procedure Worker handbook Worker interview Management interview

← Code area 1
Code area 2 →

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

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

Migrant workers

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

← Code area 1.A

Code area 2 →

Percentage of workers that are migrant	80%
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	Hunan, Guangxi, Sichuan, Chongqing, Jiangxi

Recruitment fees

Have any workers who started at this site in the last 12 months (new workers) paid any recruitment fees or associated costs, such as visas or travel, which have not been fully repaid?	No - there are no new workers

← Code area 1.A

Code area 2 →

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The facility has established procedures and policies to ensure freedom of Association and the right to collective bargaining are respected. These procedures complied with local laws and regulations, with a clear process for updating documentation to address changes in requirements or circumstances. 2. Factory manager was assigned to oversee matters related to freedom of association and collective bargaining. The designated person was well-informed of the responsibilities and received training to develop the necessary skills and knowledge for effective implementation of these policies. 3. Relevant workers, managers, and supervisors received training on policies and procedures supporting freedom of association and collective bargaining. Training was delivered according to a documented plan, including assessments and periodic refresh sessions. Training topics were clearly defined to guide implementation. 4. The facility conducted an annual internal audit to assess compliance with policies ensuring freedom of association and collective bargaining rights. Additionally, mechanisms were established to monitor legal requirements and maintain the validity of permits/licenses. Corrective actions were required when any defect was found.

← Code area 1.A

Code area 3 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current system: There was no union at the site, but there is a policy on freedom of association and right to collective bargaining, and the worker representative was elected in the factory. The site ensured that all workers understood their legal rights in relation to trade unions, collective bargaining agreements and worker committees. Per worker interview, it was confirmed that the members of the worker representative had been elected by all workers in the factory and they understood the roles and responsibilities of worker representative fully. Also, workers could freely raise their concerns through suggestion box or chat with management. There was regular communication with worker representatives and meeting records were provided for review. The representatives were not discriminated by others. They were supported by the factory management to executing the related tasks. Evidence examined: 1. Election records and minutes of the worker representative meeting 2. Site policy on freedom of association 3. Suggestion box opening records 4. Interview with workers and managers 5. Interview with worker representative members

← Code area 1.A

Code area 3 →

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

Data points

Are trade unions allowed by law in the national context?	Yes
Are there any registered trade unions in the workplace?	No
Are they active?	
Does the employer recognise the trade union?	Not Applicable
Are there alternative worker representative bodies in place?	Yes, worker committee
Are the worker representative bodies, trade union or otherwise, accessible to all workers, including more vulnerable workers (such as female, migrant, agency, and seasonal workers)?	Yes
Are the worker representatives freely elected by the workforce as a whole?	Yes
Does union/worker committee membership reflect the gender composition of the workforce?	Yes
Does the membership reflect the nationality composition of the workforce?	Yes

← Code area 2

Code area 3 →

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

3. Working conditions are safe and hygienic

Management systems

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

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	1. The facility has established a procedures and policies on health and safety aspects. These procedures and policies captured requirements regarding the local laws and client's requirement. There was a clear procedure for updating documentation according to changing requirements or situations. 2. Factory established an OHS team to be responsible for health and safety such as chemicals, PPE usage, fire safety, electric safety, occupational issues and so on. Factory manager was the leader of the team. They were aware of their role and responsibilities. They had also been provided with the OHS training with the necessary skills and knowledge to implement their task. 3. Training on health and safety, such as: PPE usage, chemical use, was provided for the workers once they entered the factory and yearly. Training content was updated according to need and the procedure for this was documented. 4. Health and safety risk assessment about health and safety such as chemicals, PPE usage, fire safety, electric safety was conducted every year, and the most recent one was conducted in March 2026. The internal audit and management review were done regularly to monitor on subject of health and safety. However, the monitoring was insufficient and findings were not corrected at the root, which caused some defects on this section. Non-compliance related to electricity safety and chemical safety were observed during the audit, even though they are isolated cases, the factory is recommended to make improvements in monitoring in health and safety management.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601464803
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601464805
	3.O Implement an appropriate electrical safet...	Local law	NC ZAF601476091

← Code area 2 Code area 4 →

Systems and evidence examined to validate this code section	Current systems: Through factory tour, it was noted that: The work stations were well ventilated and lighted. The factory was with good layout. The factory maintained a good environment throughout work floors. The factory posted the evacuation plans on work floors, which indicated escape routes, and the location of the fire extinguishers. No exit or passages were found to be blocked. There were fire extinguishers, fire hydrants, fire alarms installed in the factory which would be inspected and maintained regularly. At least two safety exits were available in each worshop. The recent fire drills conducted in the factory: May 29, 2026 and November 10, 2025. Drinkable water and toilet were available in workshops. The general conditions of the toilets were clean. Workers received regular and recorded health & safety training. Occupational alerts were posted properly. There were first aid kits available in the workshops. Factory had conducted testing of factors of occupational hazards in workshop and provided regular occupational health checks to employees in workshops who were in contact with hazardous materials. Also, factory had conducted risk assessment about health and safety every year. Evidence examined – to support system description Document review (Chemical handling and storage procedure, fire drill records, emergency evacuation plan, original fire inspection report, building construction safety certificate.) Worker interview Management interview Factory tour Policies on health and safety

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601464803

Non-compliance

Due 2024-02-17

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

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

Description

It was noted that employees in contact with hazardous materials in workshop were all wearing protective ear plugs provided by factory.
审核员发现工厂接触危害物质的员工均佩戴了工厂发放的防护用品。

Description (carried over)

It was noted that 1 out of 6 employees working under noisy environment in assembly workshop was not wearing protective ear plugs provided by factory.
审核员发现装配车间1/6名接触噪声的员工没有佩戴工厂发放的防护耳塞。

Intended corrective and preventative actions, based on root cause analysis

N/A

Intended corrective and preventative actions, based on root cause analysis (carried over)

建议工厂为相关的员工提供必要的个人防护用品，并确保他们正确佩戴。 It is recommended that management adopt practices and controls to ensure that necessary personal protective equipments are provided to relevant employees and measures are taken to ensure that employees use such personal protective equipment appropriately.

Status

Closed (2026-06-11)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

Local law reference

根据《中华人民共和国安全生产法》第42条：生产经营单位必须为从业人员提供符合国家标准或者行业标准的劳动防护用品，并监督、教育从业人员按照使用规则佩戴、使用。 In accordance with Article 42 of Law of the People's Republic of China on Production Safety, business entities must provide their employees with labor protection products meeting the national or industry standards, and supervise and educate their employees on wearing or using such products in accordance with the rules of use.

* PDF generated at 09:38 (UTC) on 17 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601464805

Non-compliance

Due 2025-03-16

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.N Ensure that all hazardous substances (e.g. chemicals and pesticides) are officially registered where possible, Material Safety Data Sheets are used, and they are managed appropriately at all times in line with registration and safety instructions, including storage, use and disposal.

Issue title

230 - No material safety data sheet (MSDS) obtained/available

Description

It was noted that no material safety data sheet for products (MSDS) was available for the chemicals (e.g. glue) being used in assembly workshop. Photo evidence was not applicable in this case.
审核员发现装配车间使用的胶水没有张贴化学品安全技术说明书(MSDS)。照片证据不适用于本次情况。

Description (carried over)

It was noted that no material safety data sheet for products (MSDS) was available for the chemicals (e.g. hexane) being used in assembly workshop. Photo evidence was not applicable in this case.
审核员发现装配车间使用的白电油没有化学品安全技术说明书(MSDS)。照片证据不适用于本次情况。

Status

Open*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →

Intended corrective and preventative actions, based on root cause analysis

It is recommended that management adopt practices and controls to ensure that all chemicals being used in the factory have complete material safety data sheet for products (MSDS) which are also provided to the relevant employees handling chemicals in the factory.
建议所有在工厂使用的化学品都具备完整的化学品安全技术说明书(MSDS)，并提供给工厂内使用化学品的相关员工。

Intended corrective and preventative actions, based on root cause analysis (carried over)

It is recommended that management adopt practices and controls to ensure that all chemicals being used in the factory have complete material safety data sheet for products (MSDS) which are also provided to the relevant employees handling chemicals in the factory.
建议所有在工厂使用的化学品都具备完整的化学品安全技术说明书(MSDS)，并提供给工厂内使用化学品的相关员工。

Local law reference

In accordance with Article 27 of the Regulation For Chemical Usage Safety in Work Place: Staff and workers are entitled to receive: (1) Date and information in description of the specific characteristics, hazardous ingredients, and safety precaution marks of the chemicals to be used in the working premises, and instructions upon safety techniques, etc. (2) Information concerning the probability of occurrence of harm against safety and health of staff and workers caused by hazardous chemicals in the working process. (3) Trainings upon safety techniques, including trainings with regard to prevention and control, and danger-avoiding methods, handling of emergency cases, or emergency measures. (4) Labor protection articles in conformity to State stipulations.
根据《工作场所安全使用化学品规定》第27条： 职工有权获得：(1)工作场所使用化学品的特性、有害成分、安全标签以及安全技术说明书等资料；(2)在其工作过程中危险化学品可能导致危害安全与健康的资料；(3)安全技术的培训，包括预防、控制、及防止危险方法的培训和紧急情况处理或应急措施的培训；(4)符合国家规定的劳动防护用品。

* PDF generated at 09:38 (UTC) on 17 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601476091

Non-compliance

Due 2026-07-17

Code area	Status
3 Working conditions are safe and hygienic	Open*

← Code area 3 Code area 4 →

Workplace requirement

3.O Implement an appropriate electrical safety program to ensure that electrical hazards are reduced and controlled by appropriately qualified personnel.

Issue title

227 - Unmarked/incorrect labels/signage/instructions for electrics

Description

It was noted that no warning sign was marked on 2 out of 12 electricity connection boxes in the factory.
审核员发现工厂全厂2/12个电箱没有安装警示标志。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that management adopt practices and controls to ensure that all electricity devices and circuit in the factory are marked to avoid electric shock.
建议工厂对整个工厂的电箱安装警示标志。

Local law reference

In accordance with Article 2-7 of Warning Sign in the Guidelines for Safety Signs and Usage GB 2894-2008, the electric shock warning sign should be marked on electricity devices and circuit where electric shock may happen.
6.2 The material of signs: Safety signs should be made of durable material. The materials which will be deformed or deteriorated when wet and flammable material are generally shall preferably not be used. The insulation material should be used at workplace where there is risk of electric shock.
根据《安全标志及使用导则(GB 2894-2008)》警示标志2-7，当心触电警示标志应安装在有可能发生触点危险的电器设备和线路，如：配电室、开关等。
6.2 标志牌的材质：安全标志牌应采用坚固耐用的材料制作，一般不宜使用遇水变形、变质或易燃的材料。有触电危险的作业场所应使用绝缘材料。

Evidence

NC-No warning sign.JPG

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →

* PDF generated at 09:38 (UTC) on 17 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

3. Working conditions are safe and hygienic

Data points

Is someone within the company responsible for health and safety?	Yes, senior manager or business owner
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	No
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	Yes Glue
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Not applicable
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 No structural additions noted in factory.
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

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	1. The factory established a policy and procedure on child labour and young worker. These procedures complied with local laws and international standards, with a clear process in place to update documentation in response to changing requirements or situations. 2. Factory manager was appointed to oversee the implementation and monitoring of policies related to the prevention of child labour. The designated person was fully aware of the responsibilities and had received training to acquire the necessary skills and knowledge to fulfill the duties effectively. 3. Relevant workers, managers, and supervisors were trained on the policies and procedures prohibiting child labour. Training was conducted according to a documented plan, which included assessments and refresh sessions. The training topics were clearly outlined to ensure proper implementation. 4. The facility conducted an annual internal audit to verify compliance with policies prohibiting child labour. A mechanism was also established to monitor legal requirements, age verification documents, and permits/licenses to ensure strict adherence. Corrective actions were required when any defect was found.

← Code area 3 Code area 5 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: Based on the review of the personnel files and employee interview, it was noted that all sampled employees were above the age of 18 years old when hired by the factory. According to the factory policy, the factory had established procedure for screening job applicants, and young workers younger than 16 years old were prohibited to recruit. 1. The factory established a policy that they would never employ and use any child labor under the age of 16 years old. 2. The factory would verify all workers’ original ID cards at the time of recruitment and keep the photocopies of workers’ ID cards in the personnel files. 3. Each employee file included 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. 4. There is a child labour remediation procedure in place. If child labor was found, factory would immediately send back her or him to home and paid for all the fees caused. Evidence examined – to support system description Name list, personnel file, labour contracts, hiring procedure, anti-child labour procedure, remedial procedures for child labor etc. Management interview Worker 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	1%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	20
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

← Code area 4

Code area 5 →

5. Legal wages are paid

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	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	1. The facility has established procedures and policies to ensure legal wages and benefits are paid to all workers. These procedures complied with local laws and regulations, with a clear mechanism to update documentation in response to changes in legal requirements or operational conditions. 2. Factory manager was assigned to oversee compliance with wage and benefit policies, ensuring all payments and benefits met legal standards. The designated person was fully aware of the responsibilities and received the necessary training to develop the skills and knowledge required for effective implementation of wage & benefit related policies. 3. Relevant workers, managers, and supervisors were trained on policies and procedures related to the payment of legal wages and benefits. Training followed a documented plan, including regular assessments and refresh sessions. Training topics were clearly defined to guide compliance. 4. The internal audit and management review were done regularly to monitor on subject of workers' wage and benefits. Corrective actions were implemented when defect was found. So, the monitoring was sufficient and effective.

← Code area 4

Code area 5.A →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: The auditor reviewed the payroll records of 10 samples from the most recent paid month May 2026, 10 samples from March 2026 and 10 samples from July 2025 respectively. Per payroll registers and employees & management interview, employees' wages were calculated by hourly rate and paid by bank transfer on the 30th of next month. Pay slip was issued to employees. All workers were paid at least RMB 14.49/hour, which has met the local minimum wage of RMB 2520/month or RMB 14.49/hour since March 1, 2025. All sampled employees were paid 150% of their normal wage for overtime hours worked on weekday and 200% of their normal wage for overtime hours worked on weekends. No overtime was noted on statutory holidays. All employees were provided with 5 types of social insurance. Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Details: • Worker interview • Local and national laws • Document review: -Wages and benefits policy - Local legal minimum wage documents -Payroll records of the previous 12 months - Leave records -Social insurance and payment receipts from the local labour department - Labour contracts for all employees (to examine agreed wage rates) -Resignation records -Pay slips of all workers interviewed -Hours records to check hourly rates and any overtime premiums

← Code area 4 Code area 5.A →

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	Wages meet a living wage Wages are based on job skills and experience The legal minimum wage
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Only digital payments
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None
Where the site has undertaken a Living Wage gap analysis against a credible Benchmark which Benchmark have they used?	Full-Fledged Anker Methodology

Worker renumeration

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

Summary information

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

← Code area 4 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	168.0
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**	3.0
	Max hours per week	20.0
	Max hours per month	86.5
Minimum legal wage	**Min per hour**	14.49
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	2520.0
Actual minimum wage	**Actual per hour**	14.49
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

← Code area 5

Code area 5.A →

Minimum legal overtime wage	**Min per hour**	21.74
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	21.74
	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 the most recent paid month May 2026, 10 samples from March 2026 and 10 samples from July 2025 respectively
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?	Meets legal minimum
Indicate the breakdown of workforce per earnings	100% workers were paid meeting the legal minimum wage.
Are there any bonus schemes used?	Yes Post allowance and full attendance bonus per month

← Code area 5

Code area 5.A →

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

Current systems:
The factory has calculated and assessed a credible living wage based on the living standard and a decent life of the workers, taking into consideration of the regional or local context and socio-economic and cultural realities, including the following aspects
a. Meals at work
b. Food rations or food commodities given for free or sold at concession rates
c. Housing (including electricity, water, and fuel)
d. Transport to and from work and to other places during weekends and holidays.
e. Child care
f. School for children of workers
g. Medical clinic and medical care not required by law and not for work-related matters
h. Medical insurance not required by law
The analysis is aligned to the Anker Methodology's guidelines. The factory also compared the living wage with the actual payment received by the workers. The workers' income is higher than the living wage.(The basic wage plus allowance was at least 3200 and living wage was 2803).

Evidence examined – to support system description

• Worker interview
• Document review
-Local and national laws
-Wages and benefits policy
-Payroll records of the previous 12 months
-Hours records to check hourly rates and any overtime premiums
-Living wage calculating records

← Code area 5 Code area 6 →

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	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	Fundamental Improvements Required
Explanation for management systems grades	1. The facility had established procedures and policies to ensure that working hours were not excessive and complied with local laws and regulations. A clear process was in place to update documentation to address any changes in legal or operational requirements. 2. Factory manager was appointed to oversee the monitoring and management of working hours to ensure compliance with established policies. The designated person was fully aware of the responsibilities and received training to acquire the necessary skills and knowledge for effective implementation. 3. Relevant workers, managers, and supervisors were trained on policies and procedures governing working hours. Training was conducted based on a documented plan, including assessments and refresh sessions. Training topics were clearly outlined to ensure proper implementation. 4. The internal audit and management review were done regularly to monitor on subject of working hours. But corrective actions were not implemented when defect was found. Factory management stated that due to the lack of labor force and low efficiency, overtime is a must and would try to continuously limit the weekly working hours in 60 and limit monthly overtime hour in 36, which required fundamental Improvements.

← Code area 5.A

Code area 7 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.D Ensure that working hours do not exceed 6...	Base code	NC ZAF601464806
	6.D Ensure that working hours do not exceed 6...	Base code	NC ZAF601464807
	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601464804

Systems and evidence examined to validate this code section	Current systems: Factory adopted finger printing system to record workers' working time. Per factory management interview and employees' interview, all employees worked in one shift, the normal working hours were from 8:30-12:00, 13:00-17:30. Overtime was voluntary. The auditor reviewed the payroll and attendance records of 10 samples from the most recent paid month May 2026, 10 samples from March 2026 and 10 samples from July 2025 respectively. It was noted that the longest consecutive working days were 6 days, the maximum overtime hour per day were 3 hours, the maximum overtime hours per month were 86.5 hours, and the maximum total working hours per week were 60 hours. Evidence examined – to support system description • Employee interview • Management interview • Local and national laws • Factory policy on working hours • Sample pay slips with recorded hours all workers interviewed • Workers' contracts • 12 months' hours records to calculate highest and lowest hours over all employees • Quality and production records to cross check hours

← Code area 5.A
Code area 7 →

Findings: non-compliances

ZAF601464806

Non-compliance

Due 2025-03-16

Code area

6 Working hours are not excessive

Workplace requirement

6.D Ensure that working hours do not exceed 60 hours in a standard working week for any worker, except where all of the following are met: this is allowed by national law; - this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; - appropriate safeguards are taken to protect the workers' health and safety; and - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies

Issue title

471 - Total working hours exceed 72 hours per week on a regular basis and over an extended period (but are within the parameters of local law or collective bargaining agreement)

Description

Per time records review, the maximum working hour was 60 hour per week.
根据考勤记录，员工最大周工作时间为60小时。

Description (carried over)

It was noted that 8 out of 30 sample population employees worked in excess of ETI code per week during the tested periods.
A review of 30 sample population time records (10 samples from non-peak season May 2024, 10 samples from peak season Sep 2024 and 10 samples from the current paid month of Nov 2024) yielded the following:
•In Sep 2024, 8 out of 10 sample population employees worked in excess of ETI code per week (i.e. 76 hours) for 1 week, which exceeded ETI code.
根据厂方提供的工时记录，审核员发现员工工作时间超出客户标准。
审核员从厂方提供的工资记录中工抽取30个样本(从淡季2024年5月，旺季2024年9月和最近工资支付月2024年11月各抽取10个样本)，发现共有8名员工工作时间超出ETI标准，具体为：
•2024年9月，8/10名员工有1个星期每七天的工作时间为76小时，超过ETI标准。

Intended corrective and preventative actions, based on root cause analysis

N/A

Status

Closed (2026-06-11)*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Base code

← Code area 6

Code area 7 →

Intended corrective and preventative actions, based on root cause analysis (carried over)

It is recommended that management adopt practices and controls to ensure that employee working hours do not exceed ETI code.
建议工厂确保员工的工作时间符合ETI标准的要求。

* PDF generated at 09:38 (UTC) on 17 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601464807

Non-compliance

Due 2025-03-16

Code area

6 Working hours are not excessive

Workplace requirement

6.D Ensure that working hours do not exceed 60 hours in a standard working week for any worker, except where all of the following are met: this is allowed by national law; - this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; - appropriate safeguards are taken to protect the workers' health and safety; and - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies

Issue title

473 - Total hours exceed 60 hours per week - ETI requirements are not met - systemic

Description

Per time records review, the maximum working hour was 60 hour per week.
根据考勤记录，员工最大周工作时间为60小时。

Status

Closed (2026-06-11)*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Base code

← Code area 6

Code area 7 →

Description (carried over)

It was noted that 22 out of 30 sample population employees worked in excess of ETI code per week during the tested periods.
A review of 30 sample population time records (10 samples from non-peak season May 2024, 10 samples from peak season Sep 2024 and 10 samples from the current paid month of Nov 2024) yielded the following:
•In May 2024, 2 out of 10 sample population employees worked in excess of ETI code per week (i.e. 68 hours) for 1 week, which exceeded client's standard of 60 hours per week;
•In Sep 2024, 10 out of 10 sample population employees worked in excess of ETI code per week (i.e. 72 hours) for 1 week, which exceeded ETI code;
•In Nov 2024, 10 out of 10 sample population employees worked in excess of ETI code per week (i.e. 72 hours) for 3 to 4 weeks, which exceeded ETI code.
根据厂方提供的工时记录，审核员发现员工工作时间超出客户标准。
审核员从厂方提供的工资记录中工抽取30个样本(从淡季2024年5月，旺季2024年9月和最近工资支付月2024年11月各抽取10个样本)，发现共有22名员工工作时间超出ETI标准，具体为：
•2024年5月，2/10名员工有1个星期每七天的工作时间为68小时，超过ETI标准；
•2024年9月，10/10名员工有1个星期每七天的工作时间为72小时，超过ETI标准；
•2024年11月，10/10名员工有3到4个星期每七天的工作时间为72小时，超过ETI标准。

Intended corrective and preventative actions, based on root cause analysis

N/A

Intended corrective and preventative actions, based on root cause analysis (carried over)

It is recommended that management adopt practices and controls to ensure that employee working hours do not exceed ETI code.
建议工厂确保员工的工作时间符合ETI标准的要求。

* PDF generated at 09:38 (UTC) on 17 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601464804

Non-compliance

Due 2024-03-18

Code area	Status
6 Working hours are not excessive	Open*

← Code area 6

Code area 7 →

Workplace requirement

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

Issue title

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

Description

It was noted that sampled population employees worked in excess of the statutory overtime hour limits.
A review of 30 sample population employees' time records (10 samples from the most recent paid month May 2026, 10 samples from March 2026 and 10 samples from July 2025 respectively) yielded the following:
10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 62.5 to 67 hours) in May 2026, which was not in compliance with the legal requirement;
10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 76.5 to 86.5 hours) in July 2025, which was not in compliance with the legal requirement.
根据厂方提供的工时记录，审核员发现员工加班时间超出了法定标准。
审核员从厂方提供的工资记录中共抽取30个样本(其中从工资最近发放月份2026年5月抽取10个，从2026年3月抽取10个，从2025年7月抽取10个)，发现有员工加班时间超出了法定标准，具体为：
10/10名员工在2026年5月的加班时间为62.5-67小时，超过每月加班时间不能超过36小时的法律规定；
10/10名员工在2025年7月的加班时间为76.5-86.5小时，超过每月加班时间不能超过36小时的法律规定。

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 6

Code area 7 →

Description (carried over)

It was noted that 30 out of 30 sample population employees worked in excess of the statutory overtime hour limits (no more than 3 overtime hours per day and no more than 36 overtime hours per month). A review of the sample population employees' time records (10 samples from non-peak season May 2024, 10 samples from peak season Sep 2024 and 10 samples from the current paid month of Nov 2024) yielded the following:
(1) In May 2024, 10 out of 10 sample population employees worked 4 hours per day for 7 to 10 days; 7 out of 10 sample population employees worked 37 to 72 overtime hours per month;
(2) In Sep 2024, 10 out of 10 sample population employees worked 4 to 5 hours per day for 18 to 20 days; 10 out of 10 sample population employees worked 120 to 132.5 overtime hours per month;
(3) In Nov 2024, 10 out of 10 sample population employees worked 4 hours per day for 19 to 21 days; 10 out of 10 sample population employees worked 128 to 144 overtime hours per month.
根据厂方提供的工时记录，审核员发现30/30名抽样员工加班时间超出了法定标准（每月加班时间不能超过36小时）。审核员抽取30个样本(从淡季2024年5月，旺季2024年9月和最近工资支付月2024年11月各抽取10个样本)，具体为：
（1）2024年5月，10/10名员工有7到10天每天的加班时间为4小时，7/10名员工的月加班时间为37到72小时；
（2）2024年9月，10/10名员工有18到20天每天的加班时间为4到5小时，10/10名员工的月加班时间为120到132.5小时；
（3）2024年11月，10/10名员工有19到21天每天的加班时间为4小时，10/10名员工的月加班时间为128到144小时。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.
建议工厂确保员工的加班时间符合法律要求。

Intended corrective and preventative actions, based on root cause analysis (carried over)

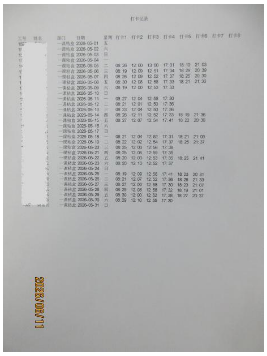
建议工厂确保员工的加班时间符合法律要求。 It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.

Local law reference

根据《中华人民共和国劳动法》第41条：用人单位由于生产经营需要，经与工会和劳动者协商后可以延长工作时间，一般每日不得超过一小时；因特殊原因需要延长工作时间的，在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时，但是每月不得超过三十六小时。 In accordance with Article 41 of the Labor Law of the PRC, after consultation with the trade union and employees, the employer may extend working hours due to its production or business needs, but the extended working hours shall not generally exceed one hour a day; in special circumstances that require an extension of working hours, the extended working hours shall not exceed 3 hours a day and 36 hours a month on condition that the health of employees is guaranteed.

← Code area 6 Code area 7 →

Evidence



[NC-Overtime exceeding law requirement.JPG](#)

* PDF generated at 09:38 (UTC) on 17 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

← Code area 6

Code area 7 →

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?	N/A. All sampled employees were paid 150% of their normal wage for overtime hours worked on weekday and 200% of their normal wage for overtime hours worked on weekends, no overtime hours worked on statutory holidays.
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?	59.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	60.0
Maximum number of days worked without a day off in sample	6

← Code area 6 Code area 7 →

7. No discrimination is practiced

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The facility has established procedures and policies to ensure that no discrimination is practiced and there is always equity in the workplace. These procedures complied with local laws and international standards, with a defined process to update documentation as requirements or circumstances change. 2. Factory manager was appointed to oversee the implementation of equity and anti-discrimination policies. The designated person was fully aware of the responsibilities and received adequate training to develop the necessary skills and knowledge to enforce these policies effectively. 3. Relevant workers, managers, and supervisors were trained on equity and anti-discrimination policies and procedures. Training followed a documented plan, including assessments and periodic refresh sessions. The training topics were clearly outlined to guide compliance. 4. The internal audit and management interview was done regularly to monitor on subject of equity and anti-discrimination. Corrective actions were required when any defect was found.

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	Current systems: 1. There was no discrimination in hiring, compensation, access to training, promotion, termination or retirement due to their birth, gender, age, religion, race, marital status, sexual orientation, union membership, ethnical beliefs and political background etc. Female workers and male workers had the same pay an working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement. 2. There was no negative evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found. 3. Any discrimination found would be punished and the management knew the requirement of non-discrimination. 4. Factory had established policy to require that all employees have equal rights in hiring, training, promotion and development regardless of gender, age, race, religion or background. For example, females can apply the same position with males in this factory, migrant workers from other provinces have the same right to be appointed as workshop leader as local workers. 5. The facility has also implemented equity-based measures to ensure that vulnerable workers are not only treated equally but also supported in performing their roles safely and comfortably; for example, for pregnant workers or nursing mothers, the facility reassigned task to reduce physical strain and ensure safety. Disabled workers and older workers were provided with seating chairs when working at factory. Evidence examined – to support system description The hiring and termination procedure, leave application records and employee handbook. Payrolls Attendance records Termination records Training records Equity process

← Code area 6

Code area 8 →

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	7%
Representation of women in managerial roles (ratio of women workers to women managers)	0%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	0%
Three most common nationalities in managerial and supervisory roles	Chinese

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The facility has established procedures and policies to ensure that regular employment is provided to workers, in compliance with local laws and regulations. A clear process was in place to update documentation to reflect changes in requirements or operational conditions. 2. Factory manager was appointed to oversee employment practices and ensure that workers were provided with regular and stable employment. The designated person was fully aware of the responsibilities and received training to gain the necessary skills and knowledge for effective implementation of these policies. 3. Relevant workers, managers, and supervisors were trained on policies and procedures to ensure regular employment. Training followed a documented plan, including assessments and refresh sessions. Training topics were clearly defined to guide implementation. 4. The internal audit and management interview was done regularly to monitor on subject of employment. Corrective actions were required when any defect was found.

Summary of findings

← Code area 7

Code area 8.A →

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. All employees were recruited by the factory directly. No labour agency was used to hire workers. No apprenticeship schemes or home worker was identified by the auditor. 2. The factory signed labour contracts with all employees within one month when they joined the factory to establish the employment relationship and confirm the rights and obligations of the employment conditions. Per interview with worker, all employees had one copy of contract. Factory had specified the terms and conditions of contract with employees, that met all legal requirements, in a language workers can understand. 3. Per interview with management and worker, no recruitment fee was paid by the workers. Evidence examined – to support system description Hiring procedure, employee manual, training records. Labour contracts Employee handbook workers' interviews management interviews

← Code area 7

Code area 8.A →

8. Regular employment is provided

Data points

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

← Code area 8

Code area 8.A →

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Not Addressed
Explanation for management systems grades	1. The facility has established procedures and policies to ensure responsible management of sub-contracting and homeworkers if such practices were implemented. These procedures complied with local laws and industry standards, with a clear mechanism to update documentation in case requirements or practices change. 2. Currently, the facility did not engage sub-contractors or homeworkers. However, factory manager was assigned to oversee potential future arrangements and ensure compliance with responsible practices if these were adopted. The designated person was aware of the responsibilities and had been trained to manage these processes effectively. 3. The responsible person is clear with the procedures and policies to ensure responsible management of sub-contracting and homeworkers by training. However, factory did not provide trainings on policies related to sub-contracting and homeworkers to the workers although there was no subcontractor or homeworker used in factory. 4. The facility had not conducted an annual internal audit to monitor the implementation of sub-contracting and homeworkers in according to the procedures and policies. So there was no effective monitoring on this subject although there was no contractor or homeworker used in factory at present.

← Code area 8 Code area 9 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1.Per factory tour, it was noted that the production processes in the factory were complete and this was also verified through production processes overview provided by factory. 2.Auditor also checked material in-and-out records, no subcontracting was noted. 3.Management confirmed that they would not use any subcontractor unless agreed by their client. 4.Per factory tour, employee interview and document review, it was also noted that all productions were onsite, no homeworking was noted. Evidence examined – to support system description • Site tour (Calculation on total production and estimated capacity) • Materials in/out records • Production process overview • Management interview

← Code area 8

Code area 9 →

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

Data points

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

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

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

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 concerns about unrecorded work or undeclared sub-contracting on site and there was no sub-contractor was used in factory.

← Code area 8.A

Code area 9 →

Are any sub-contractors used?	No

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

9. No harsh or inhumane treatment is allowed

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The facility had established procedures and policies to ensure that no harsh or inhumane treatment was allowed in the workplace. These procedures complied with local laws and international standards, with a clear process in place to update documentation in response to changing requirements or situations. 2. Factory manager was appointed to oversee the enforcement of policies prohibiting harsh or inhumane treatment. The designated person was fully aware of the responsibilities and received training to develop the necessary skills and knowledge for effectively implementing and monitoring these policies. 3. Relevant workers, managers, and supervisors were trained on policies and procedures that prohibit any form of harsh or inhumane treatment. Training was conducted according to a documented plan, including assessments and refresh courses. The training topics were clearly outlined to guide implementation. 4. The internal audit and management interview was done regularly to monitor on subject of harsh or inhumane treatment. Corrective actions were required when any defect was found.

Summary of findings

← Code area 8.A

Code area 10.A →

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. The factory management had established a policy and procedure to prevent harsh and inhumane of management behavior such as policy that no harassment or abuse should be occurred to employees. 2. The factory had developed a training program for all employees on the procedure. Confirmed by workers interview, they were aware of the policy and procedure. 3. There was an internal process for grievance, which is an anonymous suggestion box, where workers can report any grievances (harassment, bullying, discrimination etc.). Any received complaint will be handled by management, without any reprisal for the worker in question. Evidence examined – to support system description Social compliance procedures, employee manual, training records, suggestion box opening records etc. The relevant policy on prevention of harassment and abuse Internal grievance procedure documentation. Training records

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	Yes, there is a formal grievance process The grievance process is available to all workers The grievance process is available to members of the local community
What type of grievance mechanism(s) are available?	Suggestion box
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

← Code area 9

Code area 10.A →

10.A. Environment 2-Pillar

Management systems

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

← Code area 9

Code area 10.B →

Management systems

Explanation for management systems grades	1. The facility had established procedures and policies on environmental aspects. These procedures and policies captured requirements according to the local laws. There was a clear procedure for updating documentation according to changing requirements or situations. 2. The facility appointed Factory manager to be responsible for environmental management and environment protection implementation in the facility; The designated person was aware of the role and responsibilities and also was provided the training with necessary skills and knowledge to implement the task. 3. Effective training and communication of policies and procedures was provided to relevant workers, managers and supervisors. Training was conducted according to a documented plan which included assessment and refresh training. The training topic was clearly described to guide implementation in accordance with the processes and policies. 4. The facility has conducted an annual internal audit to monitor the implementation in according to the procedures and policies. They had also established a mechanism to monitor legal permits/ licenses. But the monitoring of the implementation of environmental issues by employees was insufficient, for example, the factory did not supervise whether employees were conserving energy or sorting waste properly at daily work. So the monitor the effectiveness of procedures needs some Improvements.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

← Code area 9

Code area 10.B →

Systems and evidence examined to validate this code section	Current systems: 1. The factory had established environment policy and procedure to ensure that it met applicable environmental laws and regulations. 2. Facility has conducted aspect/impact assessment to identify the impact of production activities on environment. 3. Hazardous wastes were generated and disposed by qualified contractor. 4. Factory had established the chemical list and did not use legally banned chemicals. 5. All the legally required certificates including the environmental impact assessment report were available and valid during this audit. Evidence examined – to support system description Environment policy and procedure Environmental impact appraisal documents Waste disposal contracts and records Environment training records Appointment letter of environmental responsible personnel Risk assessment of environmental protection Registration or Approval of environmental impact appraisal documents Worker interview Management interview

← Code area 9 Code area 10.B →

10.A. Environment 2-Pillar

Data points

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

← Code area 10.A

Code area 10.B →

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. Factory had established environment risk assessment about working process and supply chain and provided the document for review. 2. Factory had monitored potential negative environment impacts of operations and supply chain and provided the monitoring report for review. 3. Factory had trained employees on energy conservation and emission reduction every year. 4. Factory had documented energy consumption list for at least one year and made reduction plan accordingly. 5. Factory had monitored and mitigate the site's impacts on biodiversity. Evidence examined – to support system description Environment policy and procedure Environmental impact appraisal documents Waste disposal contracts and records Environment training records Appointment letter of environmental responsible personnel Risk assessment of environmental protection Registration or Approval of environmental impact appraisal documents Worker interview Management interview

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?	Sustainable material sourcing Biodiversity and eco system impact management Switching to renewable energy sources Prioritising local suppliers Responsible use and management of water Packaging optimization
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes There was a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes The factory established targets for reducing the environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions). 1. Water consumption and discharge: plan to reduce by 1% from 2026 to 2027; 2. Electricity consumption: plan to reduce by 1% from 2026 to 2027; 3. Waste: plan to reduce by 1% from 2026 to 2027.
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

← Code area 10.B

Code area 10.C →

Usage/discharge analysis

	Last full calendar year (2025)	Previous full calendar year (2024)
Total electricity consumption from non-renewable sources (kWh)	125,602	186,757
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	0	0
Has the site completed any carbon footprint analysis?	No	No
Water sources	Municipal water supply	Municipal water supply
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	3,057	3,827
Water discharged	Discharge sanitary waste to municipal sewage pipe	Discharge sanitary waste to municipal sewage pipe
Water volume discharged (m3)	2,753	3,446
Water volume recycled (m3)	0	0

← Code area 10.B

Code area 10.C →

Total waste produced (mt)	2.5	5.4
Total hazardous waste produced (mt)	0.2	0.4
Waste to recycling (mt)	2.5	5.4
Waste to landfill (mt)	0	0
Waste to other (mt)	0	0
Total product produced (mt)	860	1,500

← 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	1. The facility had established procedures and policies to promote and ensure business ethics were maintained at all levels of operation. These procedures complied with local laws and international ethical standards, with a clear process in place to update documentation in response to changes in legal or operational requirements. 2. Factory manager was assigned to oversee the implementation and monitoring of business ethics policies. The designated person was fully aware of the responsibilities and received training to acquire the necessary skills and knowledge to ensure ethical conduct within the organization. 3. Relevant workers, managers, and supervisors were trained on business ethics policies and procedures, ensuring that all employees understand the importance of ethical behavior in the workplace. Training followed a documented plan, including assessments and refresh sessions. The training topics were clearly defined to guide ethical decision-making. 4. The facility conducted an annual internal audit to monitor compliance with business ethics policies. Mechanisms were also established to handle any reports of unethical behavior or violations, ensuring that any issues were addressed promptly and in accordance with legal and ethical standards.

← Code area 10.B

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: Facility had made an anti-bribery and ethics policy and procedure about employees and business partners. Facility provided training on anti-bribery to the staff having job profile related to the area of ethical business practice. Factory had also signed agreement with their business partners on ethic standards. Moreover, facility conducted risk assessment and internal audit every year about any use of bribery, corruption or any other type of fraudulent business practices. Also, factory had established personal information protection policy and provided related trainings to employees yearly. Evidence examined – to support system description Anti-bribery policy Training records Appointment letter for the responsible person Management interview. Personal information protection policy and training records.

← 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	No anti-bribery management systems certification was obtained for the site.

← Code area 10.C

Attachments

[Packing.JPG]

[Toilet.JPG]

[Eye washing facility.JPG]

[Warehouse.JPG]

[Evacuation plan.JPG]

[Suggestion box.JPG]

[Exit.JPG]

[No smoking sign.JPG]

[Fire alarm.JPG]

[Factory gate.JPG]

[Attendance system.JPG]

[Gluing.JPG]

[Drinking water supply.JPG]

[Fire extinguisher.JPG]

[Chemical storage area.JPG]

[Fire hydrant.JPG]

PPE.JPG

First aid kit.JPG

Exit sign and emergency light.JPG

Production building.JPG

Die cutting.JPG

Factory name.JPG

Assembly.JPG

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