SMETA®

Sedex Members Ethical Trade Audit

Sedex Members Ethical Trade Audit Report

Version 7

Contents

Audit content

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Minimum Requirements were applied and the SMETA Auditor Manual was followed. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the following Code Areas:

Included in a 2-Pillar audit:

1. Labour Standards Code Areas:
    - 0: Enabling accurate Assessment
    - 1: Employment is Freely Chosen
    - 1.A: Responsible Recruitment & Entitlement to Work
    - 2: Freedom of Association and Right to Collective Bargaining are Respected
    - 4: Child Labour Shall Not be Used
    - 5: Legal Wages are Paid
    - 5.A: Living Wages are Paid
    - 6: Working Hours are Not Excessive
    - 7: No Discrimination is Practiced
    - 8: Regular Employment is Provided
    - 8.A: Sub-contracting and Homeworkers are Used Responsibly
    - 9: No Harsh or Inhumane Treatment is Allowed
2. Health & Safety Code Area:
    - 3: Working Conditions are Safe and Hygienic
3. Environment Code Area:
    - 10.A: Environment 2-Pillar

Included in a 4-Pillar audit:

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

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

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

Audit and site details

Audit details

Sedex company reference	ZC5000009610	**Auditor company name**	Benchmarks Company Limited
Date of audit	2024-09-26	**Audit conducted by**	Sedex member
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Site details

Sedex site reference	ZS1000010252	**Site name**	**HMJ Silicone Garment Accessories Co., Ltd** Xinlongmeilian Garment Accessories Company Limited
Business name	**HMJ Silicone Garment Accessories Co., Ltd** Xinlongmeilian Garment Accessories Company Limited	**Site address**	523900 Room 3/701, Honghui Science building, No.657 of dongguan fast ring （Houjie Section） Houjie Town, Dongguan City, CN
Site contact	Ms. Meng Caiying	**Job title**	HR Manager
Site phone	13642851300	**Site email**	sale1@hmjsiliconesticker.com xlml_8688@163.com

Audit parameters

Time in and out	Day 1		Day 2		
	In	09:00	In	09:00	
	Out	17:00	Out	13:00	
Audit type	Full initial				
Was the audit announced?	Semi announced				
Was the Sedex SAQ available for review?	Yes				
Who signed and agreed CAPR?	Ms. Meng Caiying / HR 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	N/A. There was no union in the factory.		
Reason for absence during the audit	N/A. There was no union in the factory.		
Reason for absence at the closing meeting	N/A. There was no union in the factory.		

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	Nil

Lead auditor	Ring Huang	**APSCA Number**	21700176
Additional auditor			
Date of declaration	2024-09-27		

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	Ms. Meng Caiying
Title	HR Manager
Date of declaration	2024-09-27

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.N Maintain a log of all hazardous substance...	§1	NC ZAF600655478
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	§2	NC ZAF600655479
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	§3	NC ZAF600655480

Local law issues

§1	In accordance with Regulation for Safety of Dangerous Chemical article 20, The units producing, storing dangerous chemicals shall, according to the categories and hazardous characteristics of the dangerous chemicals they producing, storing, set up the corresponding safety facilities and equipments for monitoring, aeration, protection against exposure to sun, temperature adjusting, fireproof, fire fighting, flameproof, pressure discharging, prevention of toxicants, neutralization, moistureproof, protection against thunder, protection against static, antisepsis, prevention of leakage, protection dams or segregated operations, etc.. In addition, the units shall carry out maintenance and caring regularly according to the national standards, industrial standards or the relevant provisions of the State, thus to guarantee the safety operations of facilities and equipments.
§2	In accordance with the PRC Labor Law article 72, employing unit and employees must participate in social insurance and pay social insurance premiums in accordance with the law; and according to Social Insurance Law of the People's Republic of China, Article 10 Employees shall participate in the basic retirement insurance, and the basic retirement insurance premiums shall be jointly paid by employers and employees. Article 23 Employees shall participate in the basic illness or injury insurance for employees, and the basic illness or injury insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33 Employees shall participate in the disability caused by work-related injury or occupational disease insurance, and the disability caused by work-related injury or occupational disease insurance premiums shall be paid by their employers rather than the employees. Article 44 Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53 Employees shall participate in child-bearing insurance, and the child-bearing insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state.
§3	In accordance with the PRC Labour Law article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and labourers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.

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

	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

Site details

Company and site details

Sedex company reference	ZC5000009610	
Sedex site reference	ZS1000010252	
Company name	HMJ Silicone Garment Accessories Co., Ltd Xinlongmeilian Garment Accessories Company Limited	
Business ownership type	GOODS	
Site name	HMJ Silicone Garment Accessories Co., Ltd Xinlongmeilian Garment Accessories Company Limited	
Site name in local language	东莞市禾美嘉硅胶服装辅料有限公司 东莞市欣隆美廉服装辅料有限公司	
GPS location	GPS address	Room 701, Honghui Science building, No.657 of dongguan fast ring （Houjie Section），Houjie Town, Dongguan, Guangdong, China
	Coordinates	N22°52’46”, E113°40’8” E
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Ms. Meng Caiying
	Job title	HR Manager
	Phone number	13642851300
	Email	sale1@hmjsiliconesticker.com, xlml_8688@163.com
Applicable business and other legally required business license numbers and documents	Business license: 91441900MA4WXW7M5M, valid from 3 August 2017 to long term.	

Site activities

Site function	Factory Processing/Manufacturer

Site activities

Site activities	**Primary**	Manufacture of wearing apparel (clothing), except fur apparel
	Secondary	
	Other	
Product type	Clothing label	
Process overview	The main products: Clothing label. The main processes: silk-screen printing, high-frequency welding, pressing, cutting, laser cutting and packing. The main production equipment included: 2 die-cutting machines, 10 laser cutting machines, 6 high frequency welding machines, 12 Vulcanize machines, etc.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	Yes	
What is the area of audited site to its boundary?	3660m^2	
Building 1	**Last construction works on site**	2019
	If building is shared, provide details	Yes. The factory occupied part of 3/F and the whole 7/F of the production building. Other floors were occupied by other factories.
	Number of floors	8
	Description of floor activities	1/F: Other factory. 2/F: Other factory. 3/F: Silk screen printing, High frequency welding warehouse and other part was occupied by other factory as office. 4/F: Other factory. 5/F: Other factory. 6/F: Other factory. 7/F: Office, warehouse, pressing, cutting, laser cutting, silk-screen printing and packing. 8/F: Other factory.
Is there any difference between the site scope of the audit and the Sedex site profile?	No	

Site scope

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

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No
Does the site organise worker transport to the worksite?	Not provided The facility did not provide transport for workers.

Work patterns

Approximate workers on site per month (% of peak)	January	50-75%	February	75-90%
	March	75-90%	April	90-95%
	May	90-95%	June	90-95%
	July	95-100%	August	50-75%
	September	50-75%	October	75-90%
	November	75-90%	December	75-90%
Is there any night or back shift work at the site?	No			

Site assessments

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

Site assessments

Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	No The facility did not assess for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No The facility did not conduct HRIA.

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men		Women		Other		Total	
Number of workers	35	*(54.7%)*	29	*(45.3%)*	-	-	64	*(100%)*

Workers by type

	Men		Women		Other		Total	
Permanent workers (employees)	35	*(54.7%)*	29	*(45.3%)*	-	-	64	*(100%)*
Temporary or fixed term employees	-	-	-	-	-	-	0	*(0%)*
Agency or subcontracted workers	-	-	-	-	-	-	0	*(0%)*
Seasonal workers	-	-	-	-	-	-	0	*(0%)*
Self-employed workers	-	-	-	-	-	-	0	*(0%)*
Informal workers including home workers	-	-	-	-	-	-	0	*(0%)*
Apprentices, trainees or interns	-	-	-	-	-	-	0	*(0%)*

* % of total workforce

Migrant workers

	Men		Women		Other		Total	
Domestic migrant workers	35	*(54.7%)*	26	*(40.6%)*	-	-	61	*(95.3%)*
International migrant workers	-	-	-	-	-	-	0	*(0%)*
Total migrant workers	35	*(54.7%)*	26	*(40.6%)*	-	-	61	*(95.3%)*

* % of total workforce

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

Workers by age

	Men		Women		Other		Total	
18 - 24 years old	10	*(15.6%)*	9	*(14.1%)*	-	-	19	*(29.7%)*
15 - 17 years old	-	-	-	-	-	-	0	*(0%)*
Under 15 years old	-	-	-	-	-	-	0	*(0%)*

* % of total workforce

Workers by employee type

	Men	Women	Other	Total
Employees in management positions	1 *(1.6%)*	- -	- -	1 *(1.6%)*
Supervisors or team leaders	2 *(3.1%)*	1 *(1.6%)*	- -	3 *(4.7%)*
Administrative staff	- -	1 *(1.6%)*	- -	1 *(1.6%)*

* % 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	N/A. There was no obvious peak season in the factory.
Please list the nationalities of all workers, with the three most common nationalities listed first	Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	55%	45%	-	100%

Workers by remuneration type

	Men		Women		Other		Total	
Workers paid per unit (piece rate)	-	-	-	-	-	-	0	(0%)
Workers paid based on a mix of 'piece work' and hourly rate	-	-	-	-	-	-	0	(0%)
Workers paid hourly / daily rate	35	(54.7%)	29	(45.3%)	-	-	64	(100%)
Salaried workers	-	-	-	-	-	-	0	(0%)

* % of total workforce

Workers by payment cycle

	Men		Women		Other		Total	
Paid daily	-	-	-	-	-	-	0	(0%)
Paid weekly	-	-	-	-	-	-	0	(0%)
Paid monthly	35	(54.7%)	29	(45.3%)	-	-	64	(100%)
Other	0	(0%)	0	(0%)	-	-	0	(0%)

* % of total workforce

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

Worker interview summary

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

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

Were any of the audit findings attributable to the survey?	
Was the interview sample representative of all types of nationality and employment types of workers?	Yes
Was the interview sample representative of the gender composition of the workforce?	Yes
Number and size of group interviews	1 group of 5 workers.
Did workers understand the purpose of the audit?	Yes
Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers?	Yes
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) All workers interviewed had a positive attitude to the management and the site.
What did the workers like the most about working at this site?	Work environment – comfort (e.g. temperature, noise or dust levels) Work atmosphere (e.g. treatment by supervisors) Pay Overtime
Additional comments	Most workers enjoyed working at this factory, they felt they had sufficient work and had a good relationship with management in general.
Attitude of workers' committee/union representatives	Worker representative said factory managements were very care about workers and paid more attention to deal with workers' suggestion or complain, also very friendly to workers. And she could give suggestions on all parts of the site's practices. She was satisfied with working condition in the factory.
Attitude of managers	The factory management was positive towards auditor, they provided relevant documents to auditor for review, showed auditor the production process during facility tour, and provided auditor an independent room for workers interview. At the closing meeting, auditor provided the facility representative a general overview, and explained all findings to them. Meantime, auditor made the corrective suggestions corresponding to findings to the facility representatives, facility representative signed the CAPR.

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	3	2	-	5
Workers interviewed individually	2	3	-	5

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	4	4	-	8
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	4	4	-	8

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	0.0%	-	1.0%
Last full calendar year (2023)	1.0%	1.0%	-	2.0%
Previous full calendar year (2022)	1.0%	1.0%	-	2.0%

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

Rate of absenteeism (%)*

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

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

Are accidents recorded?	Yes Management kept records of all accidents.

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

	Men	Women	Other	Total

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

Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

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

Lost day work cases (per 100 workers)*

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

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

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

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

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

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

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

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

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. There was no obstruction to all requested documents, interviewees and the facility itself. Provide the auditor with genuine and authentic records. 2. Not offer bribes to or threaten the auditor, nor in any way induce the auditor to be dishonest. 3. Provide an accurate site description and Sedex site profile declared prior to or during the audit. 4. Maintain a written human rights policy statement that is approved at the most senior level, communicated to all personnel, and trained to relevant personnel. Evidence examined: 1. Social accountability policy and manual 2. Documents signed between the factory and auditors 3. Interview with management and workers 4. Site tour

0. Enabling accurate assessment

Data points

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

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding

No findings

Systems and evidence examined to validate this code section	Current systems: 1. The factory had a policy which prohibited forced labour and this was available for review. 2. There was a non-formalised application procedure which stated that workers must present their IDs for proof of age but that only copies must be kept in the personnel files and the original given back to the workers. 3. The employee handbook - given to all workers on joining, stated that workers within their probation period were free to leave with 3 days written notice and once a worker was permanent (this was out of probation) they can resign from the factory with one month’s prior written notice, given to their supervisor or the personnel office. The handbook also stated that they would be given their full wages on their last day of work. 4. The terms and conditions of employment in the handbook stated that the workers were free to leave the workplace outside of their working hours. 5. Contract for security guards stated that they must not prevent workers from leaving the premises outside of working hours and where they were conducting searches that this was at the request of management, was done on a sample basis and was performed discretely and without significant delay to workers leaving at the end of shift. 6. The above was confirmed in management and worker interview. Evidence examined: Details: 1. Social accountability policy and manual 2. Personnel files and labour contracts 3. Resignation records 4. Interview with management and workers 5. Site tour

1. Employment is freely chosen

Data points

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

1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. Per document review, facility management representation and employee interview, all employees in the facility were Chinese. 2. All employees had the proper legal rights to work in this region. 3. All of employees were recruited directly by the facility and no agency was involved in facility's recruitment processes. 4. No agency staff or foreign employee was used by the facility. 5. The HR staffs would authenticate ID card of candidates via physical appearance comparison, questions testing and ID card authentication facility. All these processes ensured no fake ID card was used by potential worker during the hiring process. Evidence examined: Details: 1. Hiring procedure 2. Worker handbook 3. Personal files and contracts 4. Interview with management and workers

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

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

Migrant workers

Do any workers migrate across international borders to work at this site?	No
Percentage of workers that are migrant	95%
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	Migrant workers were from Guangxi, Hunan, Chongqing, etc.

Recruitment fees

Were you able to detect recruitment fees and costs paid by workers during the recruitment and employment process?	Not Applicable
Were recruitment fees or costs identified during worker interviews?	No All recruitment fees or costs were paid by the factory.

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	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding

No findings

Systems and evidence examined to validate this code section	Current systems: 1. The factory management always respected workers' choice and the freedom of association and never interfered with workers to join the trade union or any other kind of workers committee. 2. There was no union in the factory. 3. The worker committee consisted of 2 worker representatives democratically elected by the production workers. The worker representative normally would have a meeting with management on a trimonthly basis to summarize the concerns and complaints from production workers. 4. All interviewed workers stated that they could report their concerns to the worker representative or directly to the supervisor or upper management. 5. In addition, workers could also response their concerns through suggestion box. And all complaints or suggestions would be tackled within a short time. 6. No CBA was established in this factory. Workers were free to attend the employee representative/ management representative meetings. Evidence examined: Details: 1. The policy on freedom of association and right to collective bargaining. 2. Social accountability manual included worker committee selection program and the responsibility of the worker representative. 3. Interview with workers 4. Interview with management

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

Data points

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

3. Working conditions are safe and hygienic

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Monitoring in place for the Base Code Area in general but some requirements are overlooked such that there is potential for minor NCs to arise over time.

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.N Maintain a log of all hazardous substance...	§1	NC ZAF600655478

Systems and evidence examined to validate this code section	Current systems: 1. General Health and Safety management - Health & Safety policy was established in the factory and the factory manager was familiar with it. - Ms. Meng (HR Manager) was appointed to be responsible for the facility's safety and health conditions. - Purified water was provided free of charge to workers, the drinking water test report was up-to-date and kept in the factory and the test result was qualified. - Lavatory facilities were accessible and adequate in number, private and segregated for men and women. - Ventilation, temperature and lighting were adequate for the production processes. - All workers were properly wearing PPE (Personal Protective Equipment) in the production workshop. - Occupational hazards factors testing was conducted, and the report was provided for review. - Minutes of meetings showed that there were trimonthly meetings between the H&S committee (workers) and the H&S manager, and each point was acted on. 2. Fire Safety - There were at least 2 exits from each work area and these were clearly marked. - Fire fighting equipment were adequate, and checks were up-to-date. - Evacuation diagrams were posted in all areas and understood by all workers interviewed. - Fire drills were organised and recorded every 6 months for production unit. The latest fire drill was conducted on 18 June 2024. - Training had been given to all employees. 3. Electrical safety - All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards. - There was 1 competent electrician at the site and the certificate was available for review. 4. Medical services - There were adequate first aid kits in each production area and they were well stocked. - There were 3 trained first aiders on site. Evidence examined: Details: 1. Health and safety policy 2. Health and safety manual 3. Health and safety committee minutes 4. Training records and certificates 5. Government licenses 6. Special equipment inspection reports and qualified operator certificates 7. Fire equipment maintenance records 8. Fire drill and evacuation records 9. Building structure safety certificate 10. Fire safety certificate 11. First aider certificate 12. Checks on fire equipment 13. Accident report 14. Electrician certificate 15. Potable water testing report 16. Interview with H&S manager and committee members 17. Interview with workers 18. Site tour Etc.

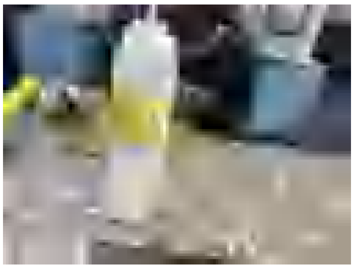
ZAF600655478

Non-compliance Due 2024-11-07

Status	Open*
Code area	3 Working conditions are safe and hygienic
Workplace requirement	3.N Maintain a log of all hazardous substances (e.g. chemicals and pesticides) on site. Ensure that these are managed appropriately at all times in line with safety instructions, including storage, use and disposal.
Issue title	240 - No/inadequate safety measures/anti-explosion measures for chemicals (e.g. no anti-leaking system/secondary container/unbunded)
Area of non-compliance/non-conformance	Local law Base code
Local law reference	In accordance with Regulation for Safety of Dangerous Chemical article 20, The units producing, storing dangerous chemicals shall, according to the categories and hazardous characteristics of the dangerous chemicals they producing, storing, set up the corresponding safety facilities and equipments for monitoring, aeration, protection against exposure to sun, temperature adjusting, fireproof, fire fighting, flameproof, pressure discharging, prevention of toxicants, neutralization, moistureproof, protection against thunder, protection against static, antisepsis, prevention of leakage, protection dams or segregated operations, etc.. In addition, the units shall carry out maintenance and caring regularly according to the national standards, industrial standards or the relevant provisions of the State, thus to guarantee the safety operations of facilities and equipments.
Description	No prevention of leakage of chemicals. During factory tour, it was noted that the anti-leakage system (i.e. secondary containment) was not installed for the chemicals, such as white oil, used in workshop. 化学品储存没有防泄漏。 审核中发现，企业在车间使用的化学品(如白电油)没有设置防泄漏装置(二次容器)。
Corrective and preventative actions	It is recommended that facility should install the relevant safety facilities in workshop or warehouse for its dangerous chemical material used. 建议企业应当在车间及库房等作业场所设置相应的安全设施。
Time given to resolve	30 days
Verification method	Desktop audit

* PDF generated at 08:38 on 08 Oct 2024. [View this finding on the Sedex platform] for live updates and closure details.

Evidence



No second container.JPG

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 Yes, qualified safety officer
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 Chemicals (i.e. paint, white oil) were used in the factory.
Who organises accommodation for workers?	Not applicable
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 addition was found during audit.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No
Does the site have a structural engineer evaluation?	Yes

4. Child labour shall not be used

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. There was a written policy in regard to prohibition of child labour, which stipulated that no worker under 16 years old would be recruited in the factory. 2. To prevent hiring child labour, the factory also established age verification mechanism. The HR staffs would authenticate ID card of candidates via physical appearance comparison, questions testing and ID card authentication facility. All these processes ensured no fake ID card was used by potential worker during the hiring process. 3. According to review of employees' personal files and employee interview, there was no child labour in the factory. 4. Through reviewing employees' personnel files and whole factory tour, there was no employee that was under 18 years. Evidence examined: Details: 1. The recruitment policy on child labour was reviewed. It stated that the factory would never employ or use any child labour under the age of 16 years old. 2. Recruitment procedure 3. Latest employee list 4. Personnel files of all workers 5. Interview with management and workers 6. Site tour

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	29%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	18
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

5. Legal wages are paid

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Fundamental Improvements Required
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Communications and/or training is not effective i.e., cannot be understood by key groups or individuals. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	§1	NC ZAF600655479

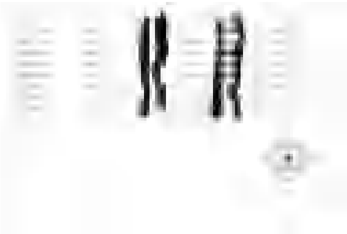
Systems and evidence examined to validate this code section	Current systems: 1. All employees' wages were calculated by hourly basis by cash before 30th each month for the last month. The pay slip with proper information including workers name, department, wage level, regular working hours, regular work payment, overtime hours, overtime payment, gross wages, deductions, net wages, staff signature etc. was provided to each worker. 2. During this audit, the payroll records from August 2023 to July 2024 (current month) and attendance records from 1 August 2023 to 26 September 2024 were provided for review. As per review of 10 sampled employees' payrolls and attendance records from December 2023, March 2024 and July 2024 (current month), it was noted that all workers were paid at least RMB10.92 per hour (RMB1900 per month) which met the legal minimum wage. 3. Additionally, all sampled workers were properly paid 150% and 200% of their normal wages for all workdays and weekend overtime hours respectively as legally required and no statutory holidays overtime hours were noted. All workers were paid when they were enjoying statutory holidays. 4. Paid annual leave benefit was also entitled to the employees who worked more than one year in the factory according to legal law. 5. Not all employees had participated in social insurances. Evidence examined: Details: 1. Wages and benefits policy and procedure 2. Local and national laws 3. Local legal min wage documents 4. Labour contracts for all workers 5. Resignation records 6. Production records 7. Social security insurance payment receipts 8. Worker interview and management interview

ZAF600655479 Non-compliance Due 2024-12-07

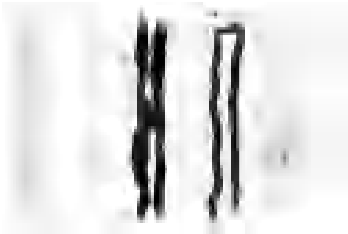
Status	Open*
Code area	5 Legal wages are paid
Workplace requirement	5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.
Issue title	423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic
Area of non-compliance/non-conformance	Local law Base code
Local law reference	In accordance with the PRC Labor Law article 72, employing unit and employees must participate in social insurance and pay social insurance premiums in accordance with the law; and according to Social Insurance Law of the People's Republic of China, Article 10 Employees shall participate in the basic retirement insurance, and the basic retirement insurance premiums shall be jointly paid by employers and employees. Article 23 Employees shall participate in the basic illness or injury insurance for employees, and the basic illness or injury insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33 Employees shall participate in the disability caused by work-related injury or occupational disease insurance, and the disability caused by work-related injury or occupational disease insurance premiums shall be paid by their employers rather than the employees. Article 44 Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53 Employees shall participate in child-bearing insurance, and the child-bearing insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state.
Description	Insufficient social insurance participated. According to the social insurance payment receipt provided by factory management in August 2024, there were 68 employees in the factory, including 1 retired employee and no new employee, there were 14 out of 67 eligible employees (20.9%) had participated in basic retirement insurance, unemployment insurance, medical insurance, maternity insurance and disability caused by work-related injury insurance. Remark: The factory had bought commercial insurance related to accident for 58 employees (contract period from 3 November 2023 to 2 November 2024). 社会保险参保不足。 根据提供的2024年8月份社保收据，企业的68名员工中，除去1名退休员工，没有新员工，67名应参保员工中有14人（20.9%）参加了养老保险，失业保险，医疗保险，生育保险和工伤保险。 备注：工厂为58名员工购买了商业意外伤害保险。有效期为2023年11月3日至2024年11月2日。
Corrective and preventative actions	It is recommended that the facility shall ensure all employees participate in all 5 types of social insurance schemes and therefore receive all of their statutory welfare to comply with the Law. 建议企业应保证所有员工均参加全部五种社会保险。
Time given to resolve	60 days
Verification method	Follow up audit

* PDF generated at 08:38 on 08 Oct 2024. View this finding on the Sedex platform for live updates and closure details.

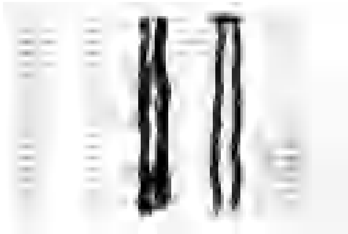
Evidence



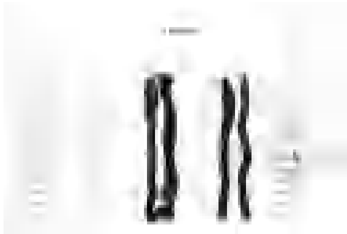
Commercial insurance name list (4).jpg



Commercial insurance name list (3).jpg



Commercial insurance name list (2).jpg



Commercial insurance name list (1).jpg

Social insurances.JPG

5. Legal wages are paid

Data points

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

Worker renumeration

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

Summary information

Is legal wage/legally recognised CBAs data available for any of these options?	Not available	
Is actual wage data available on site for any of these options?	Daily Weekly Monthly	
Maximum legal working hours	**Max hours per day**	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable
Actual required working hours	**Required hours per day**	8.0
	Required hours per week	40.0
	Required hours per month	184.0

Maximum legal overtime hours	**Max hours per day**	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	**Max hours per day**	2.0
	Max hours per week	16.0
	Max hours per month	72.0
Minimum legal wage	**Min per hour**	10.92
	Min per day	87.36
	Min per week	436.78
	Min per month	1900.0
Actual minimum wage	**Actual per hour**	10.92
	Actual per day	87.36
	Actual per week	436.78
	Actual per month	1900.0
Minimum legal overtime wage	**Min per hour**	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	0.0
	Actual per day	0.0
	Actual per week	174.72
	Actual per month	698.85

Wage analysis

Number of workers' records checked	10
Provide the date and details of the records	Time records and payrolls of 10 sampled employees from December 2023, March 2024 and July 2024 were reviewed in this audit.

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?	Not applicable
Indicate the breakdown of workforce per earnings	100% of workforce earning meet the minimum wage.
Are there any bonus schemes used?	Yes Full attendance bonus and position bonus were paid to workers.
Were accurate records shown at the first request?	Yes
Were any inconsistencies found?	No

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. No defined living wage was available at local. 2. Employees were paid in line with legal requirements. 3. The factory had calculated living wage. The total pay was more than living wage. Evidence examined: Details: 1. Wages and benefits policy and procedure 2. Local and national laws 3. Local legal min wage documents 4. Labour contracts for all workers 5. Resignation records 6. Production records 7. Social security insurance payment receipts 8. Worker interview and management interview

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Major gaps in monitoring of procedures that does not ensure sufficient management of Workplace Requirements on an ongoing basis.

Summary of findings

Code area	Workplace requirement	Local law	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	§1	NC ZAF600655480

Systems and evidence examined to validate this code section	Current systems: 1. Through employee interview, employees were voluntary to work overtime. 2. The factory adopted fingerprint scanning and face recognition system to record working hours for all employees. 3. Normally employees worked for 5 days a week in 1 shift. The working hour was from 08:00 to 17:30 with 1.5-hour break time from 12:00 to 13:30. 4. There was no obvious peak month in the factory. 5. During this audit, the payroll records from August 2023 to July 2024 (current month) and attendance records from 1 August 2023 to 26 September 2024 were provided for review. As per review of 10 sampled employees’ payrolls and attendance records from December 2023, March 2024 and July 2024 (current month), it was noted that the maximum daily overtime hours, weekly total working hours and consecutively working days for all sample population employees were 2 hour per work day, 56 hours per week and 6 days respectively. Evidence examined: Details: 1. Factory policy on working hours 2. Local and national laws 3. Workers contracts 4. Attendance records 5. Production and quality records to cross check hours 6. Management interview and worker interview

ZAF600655480

Non-compliance Due 2024-12-07

Status	Open*
Code area	6 Working hours are not excessive
Workplace requirement	6.F Ensure that where overtime is used, it is in order to manage changes in demand or in exceptional circumstances and not used to replace regular employment.
Issue title	480 - Overtime is not used responsibly (i.e. extent, frequency and level of hours worked by individual workers and/or whole workforce are excessive)
Area of non-compliance/non-conformance	Local law Base code
Local law reference	In accordance with the PRC Labour Law article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and labourers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.
Description	Monthly overtime hours exceeded the legal requirement (maximum 36 overtime hours per month). During document review, it was noted that sampled employees worked in excess of the statutory overtime hour limits. A review of attendance records for December 2023, March 2024 and July 2024 yielded the following: (1) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 72 hours) in December 2023. (2) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 72 hours) in March 2024. [Remark: The maximum monthly overtime hours of July 2024 were 32 hours.] 月加班时间超过法规要求（最高每月36小时）。 审核发现，抽样的员工加班时间超过了法定标准，抽样2023年12月、2024年3月和2024年7月的考勤发现： （1）10/10名抽样员工的2023年12月加班时间超过了每月法定的36小时标准，最高为72小时。 （2）10/10名抽样员工的2024年3月加班时间超过了每月法定的36小时标准，最高为72小时。 [2024年7月最高月加班工时是32小时。]
Corrective and preventative actions	It is recommended that the facility should ensure the overtime of workers be in accordance with the legal requirements. 建议企业应确保工作时间符合国家法律。
Time given to resolve	60 days
Verification method	Follow up audit

* PDF generated at 08:38 on 08 Oct 2024. View this finding on the Sedex platform for live updates and closure details.

Evidence

[Time records of Mar 2024.JPG]

[Time records of Dec 2023.JPG]

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
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	52.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	56.0
Maximum number of days worked without a day off in sample	6

7. No discrimination is practiced

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. As informed by interviewed employees, most employees spoke highly of the facility owner. 2. No employee was required to do the examination of the hepatitis B virus and HIV. Female workers in this factory were not required to take pregnant tests before or during their employment. 3. Anti-discrimination procedure on hiring, compensation, promotion and access to training was available during the audit, Gender divisions did not exist in the facility; both female and male employees were distributed in all types of work. 4. There was an internal grievance process, all sampled employees were aware of the grievance channels in case they encountered any discrimination cases. 5. There was no evidence of sexual harassment. Evidence examined: Details: 1. Anti-discrimination policy and social accountability manual 2. The hiring and termination procedure, leave application records and employee handbook 3. Attendance records 4. Training records 5. Termination records 6. Interview with management and workers

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)?	3%
Representation of women in managerial roles (ratio of women workers to women managers)	
Representation of women in supervisory roles (ratio of women workers to women supervisors)	3%
Three most common nationalities in managerial and supervisory roles	Chinese

8. Regular employment is provided

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. All workers were recruited by the factory directly and had properly signed contracts with the factory. 2. No labour agency was used to hire worker. 3. No temporary worker or home worker was identified by auditor. 4. Additionally, all of the workers were properly provided with one copy of the labour contract for his or her reference. Evidence examined: Details: 1. Recruitment policy 2. The hiring and termination practices 3. Personal files and labour contracts 4. Interview with management interview and workers

8. Regular employment is provided

Data points

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

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. A site tour showed that all production processes were present in the unit. 2. No sub-contracting or home-working was used in the facility. 3. As per management interview and factory tour, there was no homeworker used by the factory. Evidence examined: Details: 1. List of approval supplier 2. Production records 3. Interview with management and workers 4. Site tour

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 Through supplier control documents and management interview, it was noted that their suppliers did not use homworkers.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?	No Through facility tour, worker and management interview, it was noted that the worker's capacity was enough for production, and no additional process needed for subcontracting.
Are any sub-contractors used?	No

SMETA Sedex Members Ethical Trade Audit

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	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. According to the documentation, the facility management had established a disciplinary procedure for employees’ misbehaviour which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Employee interview confirmed that employees were aware of the disciplinary procedure. 2. As per management interview, document review and employee interview, there was a policy on Harsh Treatment. 3. There was an internal process for grievance, which was an anonymous suggestion box, where employees can report any grievances (harassment, bullying and discrimination), any received complaint will be handled by management, without any reprisal for the employee in question. All sampled employees were aware this system. Evidence examined: Details: 1. The relevant policy on prevention of harassment and abuse 2. Internal grievance procedure documentation 3. Disciplinary action records 4. Grievance records 5. Training records 6. Interview with management and workers

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
What type of grievance mechanism(s) are available?	There was an internal process for grievance, which was an anonymous email address and Suggestion box, where workers could report any grievances (harassment, bullying and discrimination etc).
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

10.A. Environment 2-Pillar

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	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	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. Ms. Meng (HR Manager) was responsible for the environment management system in the facility. 2. The facility management maintained all legally required environmental documents in place which proved that the production of the facility was in compliance with the related environmental regulations. 3. All of the legally required certificates including the registration form of environmental impacts of the construction, Approval of environmental impact assessment document and the environmental protection check and acceptance were available and valid during this audit. Evidence examined: Details: 1. The relevant policy on prevention of environment 2. Environmental impact assessment and approval 3. Pollutant monitoring report 4. Training records 5. Interview with management and workers

10.A. Environment 2-Pillar

Data points

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

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

Systems and evidence examined to validate this code section	Current systems: 1. The annual monitoring report for noise, waste air and wastewater showed the pollutant discharging was compliance with environmental law. 2. The factory had signed contract with the qualified collector and all hazardous waste generated by the factory would be submitted to the collector. 3. Based on management and employees' interview, they were trained on environmental protection. Evidence examined: Details: 1. The relevant policy on prevention of environment 2. Environmental impact assessment and approval 3. Pollutant monitoring report 4. Training records 5. Interview with management and workers

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Responsible use and management of water
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes This was included in the site's internal management system.
Does the site have reduction targets in place to manage climate related risks?	Yes, to reduce scope 1 greenhouse gases (GHGs)
Are any of these science-based targets?	No, but we anticipate setting one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes Air emissions, water and energy usage, and waste were monitored with reduction targets to reduce costs.
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

Usage/discharge analysis

	Last full calendar year (2023)	Previous full calendar year (2022)
Total electricity consumption from non-renewable sources (kWh)	255,435	259,226
Total electricity consumption from renewable sources (kWh)	Data not available	Data not available
Sources of renewable energy used	Data not available	Data not available
Types of renewable energy used	Data not available	Data not available

Total natural gas consumption (kWh)	Data not available	Data not available
Usage of other purchased fuels	Data not available	Data not available
Has the site completed any carbon footprint analysis?	No	No
Water sources	From water supply company	From water supply company
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	1,152	1,267
Water discharged	Municipal sewage	Municipal sewage
Water volume discharged (m3)	1,152	1,267
Water volume recycled (m3)	0	0
Total waste produced (mt)	12	13
Total hazardous waste produced (mt)	1	1
Waste to recycling (mt)	11	12
Waste to landfill (mt)	0	0
Waste to other (mt)	0	0
Total product produced (mt)	300	288

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	Policies and Procedures: There is a clear procedure for updating documentation according to changing requirements or situations. Resources: The role(s) responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements. Communication and Training: Training is conducted according to a documented plan/ procedure, which includes assessment and refresher training. Monitoring: Evidence of monitoring procedures and metrics collection defined by procedure and evidence of implementation available. Responsibilities for monitoring and targets or key performance indicators are defined and utilised.

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		

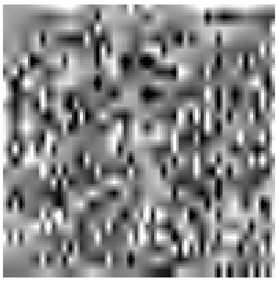
Systems and evidence examined to validate this code section	Current systems: 1. Ms. Meng (HR Manager) was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery. 2. The factory established a business ethics policy which was communicated to workers through posters and training. 3. The factory had received and read the Business Ethics policy of the auditor/audit company. 4. The Business Ethics policy, worker handbook and training record were provided to auditor for reviewed. Evidence examined: Details: 1. Business ethics policy including Bribery and Corruption 2. Training records 3. Worker handbook and Reports from Anonymous email account 4. Worker and management interview

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	N/A. No such certificate.

Attachments



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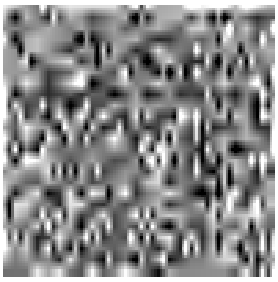

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