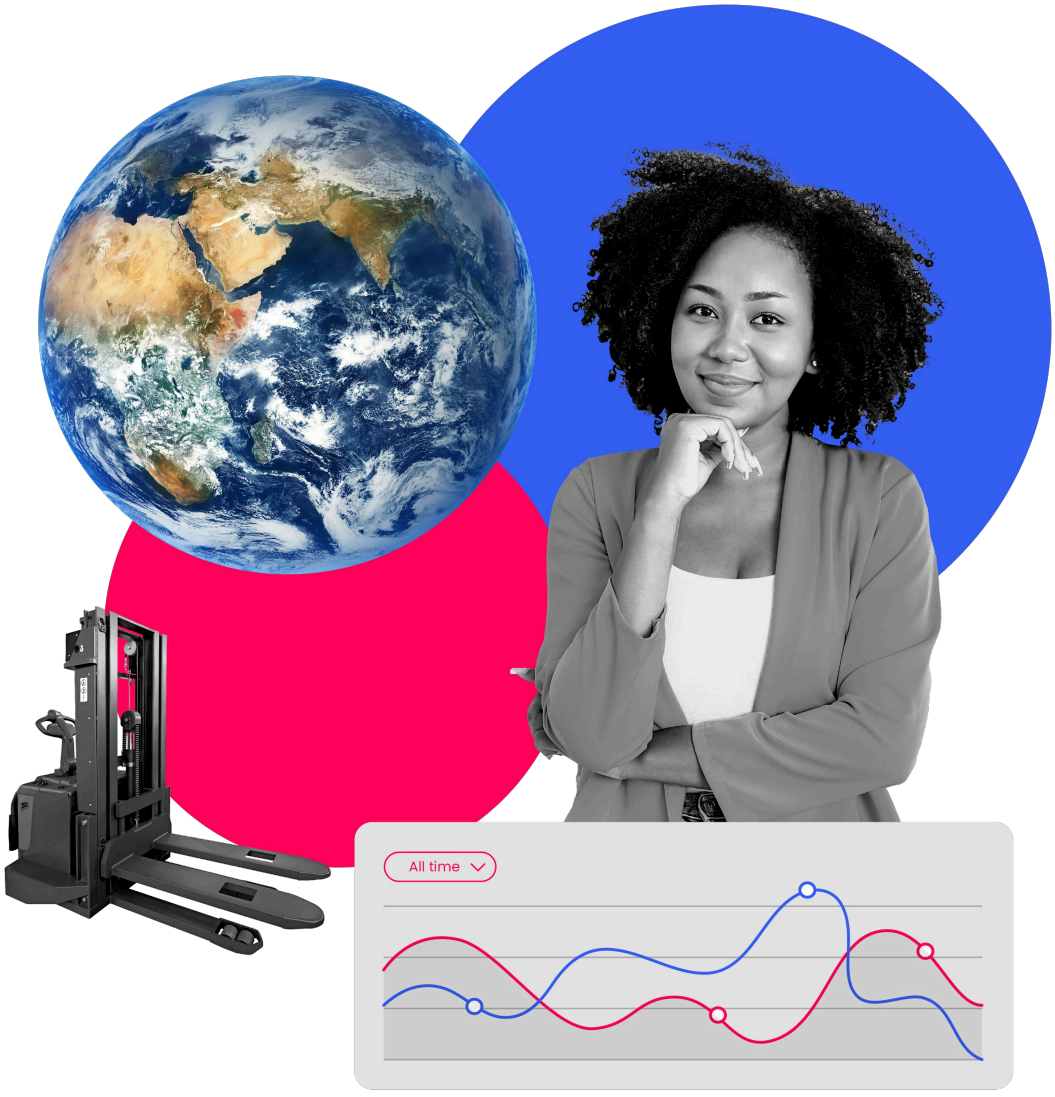
SMETA
powered by Sedex

Sedex Members Ethical Trade Audit Report

Version 7



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

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Attachments

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	ZS410492121	**Site name**	Ningbo Fenghua Shuguang Printing Co Ltd
Business name	Ningbo Fenghua Shuguang Printing Co Ltd	**Site address**	No.25, Shangqiao Road, Xiwu Street, Fenghua District, Ningbo City, Zhejiang Province, China中国浙江省宁波市奉化区西坞街道尚桥路25号 宁波 CN 315505

Audit details

Sedex company reference	ZC410449717	**Auditor company name**	Intertek Shanghai
Audit company address	3/F No,5,Lane 2028,Changzhong Rd, Shanghai, CN, 200435		
Date of audit	2026-07-27	**Audit conducted by**	estelle tong
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out	Day 1		Day 2	
	In	08:22	In	08:13
	Out	16:23	Out	12:15

Audit type	Full initial

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Findings →

Was the audit announced?	Unannounced
Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Mr. Zhang Bin / HR Supervisor
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 existed in the facility.		
Reason for absence during the audit	No union existed in the facility.		
Reason for absence at the closing meeting	No union existed in the facility.		

← Contents

Findings →

SMETA declaration

Auditor team

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

Lead auditor	estelle tong	**APSCA Number**	21700299
Additional auditor			
Date of declaration	2026-07-28		

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Findings →

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. Zhang Bin
Title	HR Supervisor
Date of declaration	2026-07-28

← Contents

Findings →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601540293
	3.R Provide clean and secure toilets, wash ar...	Local law Base code	NC ZAF601540292
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601540294
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601540295

← Contents

Management systems →

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	ZC410449717	
Sedex site reference	ZS410492121	
Company name	Ningbo Fenghua Shuguang Printing Co Ltd	
Business ownership type	GOODS	
Site name	Ningbo Fenghua Shuguang Printing Co Ltd	
Site name in local language	宁波市奉化曙光印务有限公司	
GPS location	**GPS address**	No.25, Shangqiao Road, Xiwu Street, Fenghua District, Ningbo City, Zhejiang Province, China 浙江省宁波市奉化区西坞街道尚桥路25号
	Coordinates	Latitude: 29.67, Longitude: 121.48
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Mr. Zhang Bin
	Job title	HR Supervisor
	Phone number	86-18368216819
	Email	ca@nbsgyw.com

← Management systems

Worker analysis →

Company and site details

Applicable business and other legally required business license numbers and documents	The business license number is 9133028372408019XQ. Valid Date: from 6 September 2000 to long-term. The certificate for fire protection acceptances for all used buildings were issued in June 2011 with no expired date; Building Construction Project Completion Acceptance and Record Filing Form of all used buildings were issued in July 2012 with no expired date. 4 cargo lifts had been inspected regularly with valid till September 2026, April 2027 and July 2027. 1 forklift had been inspected regularly with valid till June 2027. Electrician license valid date till 9 May 2027. Remark: The facility rented all buildings from the landlord named Ningbo Fenghua Aoma Machinery Manufacturing Co., Ltd. Relevant leasing agreement and business license of the landlord were provided for review.

← Management systems

Worker analysis →

Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier	
Site activities	**Primary**	Manufacture of other articles of paper and paperboard
	Secondary	Manufacture of games and toys
	Other	
Product type	Puzzles, board games, card games, color boxes and paper toys.	
Process overview	The main products manufactured by the facility were puzzles,board games, card games, color boxes and paper toys. The main production processes were listed as follows: injection, cutting, die-cutting, indenting, printing, surface treatment, hydraulic disintegration, box making, assembly, inspection and packing. The main machine list of the factory was as following: 2 cutting machines, 10 die-cutting machines, 10 indenting machines, 5 hydraulic disintegration machines, 5 box making machines, 5 surface treatment machines, 10 packing machines, etc. Site had completed all production processes. No subcontractor was used.	
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?	15182m²

← Site details

Worker analysis →

Site scope

Building 1	**Last construction works on site**	2011
	If building is shared, provide details	NA
	Number of floors	4
	Description of floor activities	1F: Cutting workshop and raw materiel warehouse 2F: Office 3F: Canteen, kitchen and office 4F: Idle warehouse
Building 2	**Last construction works on site**	2011
	If building is shared, provide details	NA
	Number of floors	4
	Description of floor activities	1F: Surface treatment/Printing/hydraulic disintegration workshop and warehouse 2F: Box making/assembly/ inspection/ packing workshop and warehouse 3F: Assembly/ inspection/ packing workshop and warehouse 4F: Finished products warehouse
Building 3	**Last construction works on site**	2011
	If building is shared, provide details	NA
	Number of floors	4
	Description of floor activities	1F: Die-cutting/ indenting workshop and warehouse 2F: Box making workshop and warehouse 3F: Warehouse 4F: Warehouse

← Site details

Worker analysis →

Site scope

Building 4	**Last construction works on site**	2021
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	Injection workshop and warehouse (occasionally use)
Building 5	**Last construction works on site**	2011
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	One small flat building was used as guard room.
Building 6	**Last construction works on site**	2011
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	One small flat building was used as chemical warehouse.
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 provided There was no legal requirement that the facility must provide transportation. No transport was provided, and all workers lived near the site.

Work patterns

Approximate workers on site per month (% of peak)	**January**	90-100%	**February**	80-90%
	March	90-100%	**April**	90-100%
	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

← Site details

Worker analysis →

Site assessments

Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	Yes The facility had assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No No such Human Rights Impact Assessment (HRIA) conducted.

← Site details

Worker analysis →

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	48 *(52.2%)*	44 *(47.8%)*	- -	92 *(100%)*

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	48 *(52.2%)*	44 *(47.8%)*	- -	92 *(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	36 *(48%)*	39 *(52%)*	- -	75 *(81.5%)*
International migrant workers	0 -	0 -	- -	0 *(0%)*
Total migrant workers	36 *(48%)*	39 *(52%)*	- -	75 *(81.5%)*

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from	75 employees were migrant employees from other provinces of China such as Anhui, Guizhou, Guangxi, Hunan, Henan, Jiangxi, Shaanxi, Shandong, Yunnan and Chongqing.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	3 *(50%)*	3 *(50%)*	- -	6 *(6.5%)*
15 - 17 years old	0 -	0 -	- -	0 *(0%)*
Under 15 years old	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Worker analysis

Worker interviews →

Is the worker analysis data relevant for peak season and current to the audit?	No
Describe how this may vary during peak periods	N/A. The peak month was no obvious in the facility.
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	52%	48%	-	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	0 -	0 -	- -	0 *(0%)*
Salaried workers	48 *(52.2%)*	44 *(47.8%)*	- -	92 *(100%)*

* % 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	48 *(52.2%)*	44 *(47.8%)*	- -	92 *(100%)*
Other	0 -	0 -	- -	0 *(0%)*

* % of total workforce

If other payment cycle entered, please provide details	Not applicable, all employees were paid monthly.

People in managerial, supervisorial and administrative roles

	Men	Women	Other	Total
Employees in management positions	1 *(100%)*	0 *(0%)*	- -	1
Supervisors or team leaders	2 *(100%)*	0 *(0%)*	- -	2
Administrative staff	1 *(50%)*	1 *(50%)*	- -	2

← 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 group of 5 employees
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) No complaints were raised during employees interview.
What did the workers like the most about working at this site?	Equal opportunities Grievance mechanisms Pay Training and development
Additional comments	10 employees were randomly selected for interview; they were interviewed as 1 group of 5 employees and the balance of 5 employees were interviewed individually. The employees were assured of confidentiality and they spoke freely of their views of the facility. All employees said they were satisfied with their employment at the facility and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationship with their supervisors and managers who treated them with respect. They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions adopted. They were able to complain directly to their supervisors, and felt free to give their general concerns to their worker representatives who would take it to the management.
Attitude of workers' committee/union representatives	One worker representative was interviewed, and the worker representative was satisfied with the working condition and wages of the facility. No negative issue was raised.

← Worker analysis

Measuring workplace impact →

Attitude of workers

Attitude of managers	The management was open and cooperative throughout the process of the audit. The audited facility designated several management staff to be responsible for this audit, e.g. the facility assigned the tasks of coordinating the whole audit, accompanying the onsite tour, providing documents and arrangement of worker interviews etc. to several different management staff, and these assigned persons completed their assigned tasks well during the whole audit. The requested documents were provided in a timely manner. All necessary areas were allowed access for tour. A private room was arranged for workers' interview and the management allowed audit team to select workers for interviews. Photos taking of the facilities and copies' keeping of the samples of the reviewed documents were also permitted by the facility management. In the closing meeting, the management agreed with the found non-compliances and stated that they would take relevant corrective and preventive actions for the found non-compliances as soon as possible. The management did not raise any negative feedback for the audit.

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

← Worker analysis

Measuring workplace impact →

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	4	1	-	5
Workers interviewed individually	2	3	-	5

← Worker analysis

Measuring workplace impact →

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	5	3	-	8
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	5	3	-	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)	4.3%	2.2%	-	6.5%
Last full calendar year (2025)	6.1%	3.9%	-	10.0%
Previous full calendar year (2024)	6.0%	3.5%	-	9.5%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.1%	1.5%	-	2.6%
Last full calendar year (2025)	1.2%	1.5%	-	2.7%
Previous full calendar year (2024)	1.3%	1.4%	-	2.7%

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 Though the accident records, no accident happened in last 12 months.

← Worker interviews

Code area 0 →

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

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (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	Systems: 1. During this audit, the facility allowed the auditor to conduct and complete the audit without obstruction to all requested documents, interviewees and the facility itself. 2. The facility provided the auditor with genuine and authentic records. 3. During the opening meeting, auditor communicated the anti-bribery policy and transparency policy to facility management. During whole audit, the facility management did not offer bribes to or threaten the auditor, nor in any way induce the auditor to be dishonest. 4. The facility provided an accurate site description and Sedex site profile declared prior to or during the audit. 5. The facility established a written human rights policy statement that is approved at the most senior level, communicated to all personnel, and trained to relevant personnel. Training records were provided for review. Evidence examined: 1. Business license 2. Social compliance procedures including human rights policy statement 3. Training records 4. Employee interview 5. Facility tour 6. Management interview 7. SAQ provided by facility

← 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

← Code area 0

Code area 1.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on employment freely chosen. According to the policy and procedure, forced labour, debt bondage, and restriction of termination were prohibited. This procedure includes provision for non-employee workers. The Remediation Procedure outlines processes and responsibilities, including financial, for undertaking remediation. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. Specific departmental CSR leads are allocated responsibility to implement the Hiring Procedure in named areas which includes all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The 'Employment is freely chosen' Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of employees' right are defined by the Employment freely chosen Procedure. The procedure requires that audit of the records kept of this verification is conducted by the plant manager. Records are kept of monitoring activities. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 0

Code area 1.A →

Systems and evidence examined to validate this code section	Systems: 1. The facility had a written policy of prohibiting forced, bonded and prison labour. The policy stated that the facility did not require deposit or withhold workers' ID cards; the facility did not limit the workers' freedom; the facility prohibited forced, bonded or involuntary prison labour; and workers were free to leave their employer after reasonable notice, etc. 2. The facility had a written recruitment procedure which stated that the workers must present their ID cards for proof of age but only copies would be kept in the personnel files and the original ID cards would be given back to the workers. 3. The employing handbook-given to all workers on joining, stated that workers were free to leave with 3 days' prior written notice within their probation period and could resign with one month's prior written notice after the probation period; the resigned workers would be given their full wages on their last day of work; according to the onsite observation and worker interviews, the workers were free to leave the workplace after their working hours every day; the overtime was voluntary, etc. 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, the rules for security guards stated that the responsibilities of security guards were only protecting the safety of the facility's personnel and properties, and security guards were not allowed to abuse workers and conduct body search. 5. The factory did not require any payment for work tools, PPE, IC/staff card, training, etc. 6. The factory did not use prison labour. 7. The above was confirmed in management and employee interview. Evidence examined: 1. Contracts for security guards 2. Resignation records of recent 12 months 3. Factory rules 4. Employee handbook 5. Management 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

← Code area 1

Code area 2 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on responsible recruitment and entitlement to work. The policy and procedure clarified the employees' right to work, ethical recruitment and prohibiting deposits and recruitment fees. The procedure also included provision for non-employee workers (agency if applicable). The procedure outlines processes and responsibilities, including Financial, plant managers, Supervisors, Employees and etc. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The 'Responsible recruitment and entitlement to work' Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of recruitment are defined by the Recruitment Procedure. The procedure requires that audit of the records kept of this verification is conducted by the Manager. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 1

Code area 2 →

Systems and evidence examined to validate this code section	Systems: 1. All employees were hired by facility directly. All employees had the legal right to work. 2. No employment agency or recruitment partner was used by facility. 3. The facility established hiring procedure and all applicants' ID card would check at time of hiring to verify their ages. Copies of employees' ID cards were maintained in personnel files. The youngest employee was 21 years old. 4. The facility signed labor contract with all employees and provided one copy of labor contract to employees. The nature of work, working conditions, living condition, employment terms, living costs, wages and benefits were also communicated to workers during recruitment process. 5. During recruitment process and employment process, no recruitment fee was required to be paid by workers. The PPE, uniform, etc was provided for employees free of charge. 6. Through employee interview and document review, the facility established hiring procedure, include provisions within service agreements that hold labour providers or on-site subcontractors contractually responsible to ensure no recruitment fees or related costs are incurred or charged to workers and specifies the responsible party for reimbursing workers accordingly if they incur fees or costs. No recruitment fees or related costs were found. 7. The facility had conducted due diligence investigation for recruitment cost, no any abnormal situation was observed. Evidence examined: 1. Hiring procedure 2. Employees' personnel files 3. Labor contact 4. Training records 5. Employee roster

← 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	0%
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	75 employees were migrant employees from other provinces of China such as Anhui, Guizhou, Guangxi, Hunan, Henan, Jiangxi, Shaanxi, Shandong, Yunnan and Chongqing.

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 - all new workers were recruited locally by the site
Select 1 to 3 sending countries/regions of new workers. Record fees and costs in the following tables.	China

New workers totals

	China
Number of workers	12

Recruitment fees

	China
Payments made in exchange for work	-

← Code area 1.A

Code area 2 →

Recruitment fees

Recruitment services which are not optional	-
Other or uncategorised	-

Related costs

	China
Medical costs	-
Insurance costs	-
Skills and qualification tests	-
Training and orientation	-
Equipment costs	-
Travel costs	-
Accommodation costs	-
Administrative costs	-
Other or uncategorised	-

Illegitimate costs

	China

← Code area 1.A

Code area 2 →

Illegitimate costs

Payments made to illegitimate actors involved in the recruitment process	-
Payments made to illegitimate actors during the course of employment	-
Other or uncategorised	-

Was any worker in this group in debt as a result of these costs?

	China
Yes - to a recruiter	-
Yes - to the audited site	-
Yes - to a third party	-
No - could not verify	✓

Highest total costs incurred

	China
Currency	CNY
Highest total costs incurred	0.0
Additional comments	N/A, all employees were hired by facility directly and stated that no recruitment fees or costs.

← 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

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on freedom of association and right to collective bargaining are respected. The policy and procedure clarified the employees' right to form or participate in any legal worker organization or union, and collective bargaining. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. Specific operational responsibilities for implementing the procedures were clear. Plant managers and supervisors are allocated responsibility to implement the worker representatives freely selected Procedure in named areas which includes all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The 'Freedom of association and right to collective bargaining' Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of employees' rights are defined by the Freedom of association and right Procedure. The procedure requires that an audit of the records kept of this verification is conducted by the employee representatives. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 1.A

Code area 3 →

No findings

Systems and evidence examined to validate this code section	Current Systems: 1. No union was established in the facility. 2. Worker committee existed in the facility. The worker representatives conducted meetings quarterly. 3. The interviewed workers confirmed that they were free to join worker committee and enjoy the right to collective bargaining 4. Employee interview confirmed that the members of the worker committee had been elected by fellow employees, and the facility did not interfere in their activities, and did not discriminate the worker representatives. 5. The facility had a written policy of freedom of association and right to collective bargaining. The policy stated that the workers were free to form or join trade union or workers' organization and enjoy the right to collective bargaining, and nobody would be treated differently if they were members of the trade union or workers' organization, etc. 6. The response records for workers' suggestions and appeals were available for review. Evidence examined: 1. Policy of freedom of association 2. Policy about suggestions and appeals 3. Worker representatives' selection records and meeting records 4. Response records for workers' suggestions and appeals

← 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

← Code area 2

Code area 3 →

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	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had declared an EHS procedure and policy supported at the highest level that includes the commitment to improve performance on working conditions and workers' health care, especially for the workers working at height and exposed to hazardous chemicals, and an approach to manage Health and safety issues on relevant stakeholders. The policy was reviewed annually by the Health and Safety Committee and signed by the Manager and controlled by the EHS management system procedure. The policy and procedure were comprehensive. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust Based on the established HS procedure, one manager, leading the Health and Safety Committee, has been appointed to oversee and implement the Health and Safety Policy. This individual has sufficient authority to ensure that procedures are carried out, and the EHS management team members have been trained by external agencies. The Manager arranged an EHS meeting once per quarter with the presence of the Health and Safety Committee and supervisors of each department to address HS concerns and provide updates. Specific operational responsibilities for implementing the procedures were clear. 3) Communication & Training: Grade: Some Improvements Recommended The EHS Policy and procedure is communicated to workers annually. The EHS training covers building safety, fire safety, electrical safety, machine safety, chemical safety handle & disposal and PPE usage. Latest training was conducted in July 2026. Effective mechanism was in place to ensure the training effectiveness, but through employee interview, isolated employees had forgotten some policies and procedures. 4) Monitoring: Grade: Fundamental Improvements Required Responsibilities for monitoring implementation of 'Working conditions are safe and hygienic' are defined by the HS Procedure. The factory (ES Manager in charge) continuously assesses the effectiveness of these procedures via regular monitoring and internal audits. Records were kept of monitoring activities. Some non-compliances had detected and rectified during the internal audit. However, no effective actions were taken to prevent recurrence. 2 findings were raised in the section (Part of materials and goods were stored against the wall and pillar; No secondary containment for for partial hazardous chemicals). The facility stated that it would strengthen supervision in the future.

← Code area 2

Code area 4 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601540293
	3.R Provide clean and secure toilets, wash ar...	Local law Base code	NC ZAF601540292

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section	Systems: 1.General Health and Safety management - Mr. Zhang Bin /HR Supervisor was responsible for Health & Safety issues in the site. - Potable water was freely available in all areas and test certificates were up-to-date. - Sufficient clean toilets segregated by gender were available at all times to employees. - Ventilation, temperature and lighting were adequate for the production processes. - Minutes of meetings showed that there were monthly meetings between the workers and the Facility Director, and each point was acted on. - Accident reports were available for review. - The facility provided the training records / certificate of safety production knowledge and management skill of the principal in charge for review. 2. Fire Safety -There were at least 2 exits from each work area and these were clearly marked. - Firefighting equipment was adequate and checks were up-to-date. - Fire drills were organized and recorded every 6 months. - Training had been given by the local fire department and fire marshals had been specially selected for extra training. - Evacuation diagrams were posted in all areas and understood by all workers interviewed. - The open directions of the safety exit doors were adequate. - Evacuation routes were designed well with yellow lines and unblocked. - Evacuation plans were posted at each safety exit and understood by all interviewed workers. 3. Electrical safety - There was a competent electrician at the site and the certificate was available for review. - Electrical equipment were in good condition such as sockets, plugs, switches and main fuse boards. 4. Chemical safety - The facility used ink, white glue, lubricating oil, release agent, UV oil, etc. - Material Safety Data Sheets was available for the chemicals used in the workshop and warehouse. But there was no secondary containment for partial hazardous chemicals such as white glue used in surface treatment workshop. 5. Medical services - There were adequate first aid kits in the facility and they were well stocked. - There were 2 first aiders and they had been trained at a local hospital.

← Code area 2

Code area 4 →

6. Machine Safety
- Protective devices were installed for the dangerous parts of all machines.
- Registration certificates and annual inspection reports of 4 cargo lifts and one forklift were provided for review.

7. Kitchen and canteen hygiene conditions
- Food Operation Permit for its canteen.
- Health certificates were provided for review.

Evidence examined:
- Health and safety policy
- Health and safety manual
- Health and safety committee minutes
- Training records and certificates
- Fire equipment maintenance records
- Fire drill records on 15 May 2026 & 25 December 2025
- Trained first aiders register on 18 July 2025 with 3 years valid period
- Accident reports
- Potable water testing report
- Interviews with Administration Manager and Internal Audit Supervisor.
- Interviews with employees and H&S committee members

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601540293

Non-compliance

Due 2026-08-30

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

240 - No/inadequate safety measures/anti-explosion measures for chemicals (e.g. no anti-leaking system/secondary container/unbunded)

Description

Safety facilities for partial hazardous chemicals were not compliant with legal requirement. During facility tour, auditor found that partial hazardous chemicals such as white glue were used in surface treatment workshop, but there was no secondary containment.

部分危险化学品储存的安全设施不符合要求。在现场巡查时，审核员发现表面处理车间使用的白胶等部分危险化学品，没有按要求设置防泄漏安全措施。

Intended corrective and preventative actions, based on root cause analysis

The facility stated that isolate employee temporarily forgot the relevant requirement.
The facility management stated that they would set up the corresponding safety facilities and equipments in workshop or warehouse for hazardous chemicals as per legal requirement.
Strengthen the management and checked it regularly.

Local law reference

In accordance with Regulations on the Safety Management of Dangerous Chemicals 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.

Status

Open*

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 →

Evidence



No secondary containment for for partial hazardous chemicals.JPG

* PDF generated at 05:15 (UTC) on 31 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601540292

Non-compliance

Due 2026-09-29

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Issue title

327 - Storage of goods not in line with legal requirements (e.g. too high)

Description

Part of materials and goods were stored against the wall and pillar. During facility tour, auditor found that part of materials and goods in warehouse were stored against the wall and pillar.

部分材料货物靠墙靠柱放置。在现场巡查时，审核员发现企业仓库中的部分材料和货物靠墙靠柱堆放。

Status

Open*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Intended corrective and preventative actions, based on root cause analysis

The facility stated that the warehouse employee temporarily forgot the relevant requirement.
The facility management stated that they would ensure all goods are properly stored in warehouse to leave proper distance from the wall and pillar.
Strengthen the management and checked it regularly.

Local law reference

In accordance with General Rules for Fire Safety Management of Storage Occupancies XF1131-2014 Article 6.8. The following requirements shall be met for goods or materials to be piled up in warehouse: a) The distance between the top of any stacking and the floor or flat roof shall be no less than 0.3m (for any roof truss of herringbone shape, the distance shall be calculated from the crossbeam); c) The distance between the goods or materials and the wall shall be no less than 0.5m; d) The distance between any stacking of goods or materials and any pillar shall be no less than 0.3m; e) The distance between different stacking of goods or materials shall be no less than 1m.

Evidence



Part of materials and goods were stored against the wall.JPG



Part of materials and goods were stored against the pillar.JPG

* PDF generated at 05:15 (UTC) on 31 Jul 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?	Yes
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	Yes The facility used ink, white glue, lubricating oil, release agent, UV oil, etc.
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Not applicable
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable N/A, no structural additions (e.g. added floors) in the facility.
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

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on Hiring and Prohibition of Child Labor. The policy and procedure stipulated that no child labour was allowed to be used directly or indirectly. And there was a written remediation procedure in place for any misused child labour. This procedure includes provision for non-employee workers. The Remediation Procedure outlines processes and responsibilities, including financial, for undertaking remediation. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The Child Labour Prevention and Remediation Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in July 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of age-verification are defined by the Hiring Procedure. The procedure requires that audit of the records kept of this verification is conducted by the HR leads. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 3

Code area 5 →

Systems and evidence examined to validate this code section	Systems: 1. There was a written recruitment procedure which stated that workers must present their ID cards for proof of age but only copies must be kept in the personnel files and the original ID cards would be given back to the workers; and the facility would never employ and use any child labour under the age of 16 years old. 2. There was a written juvenile worker and pregnant worker protection procedure though there was no juvenile worker or pregnant worker in the facility. 3. There was a written child labour remediation procedure though there was no child labour in the facility. 4. The written worker roster was available. 5. The worker' personnel files include recruitment date, a bio-data sheet, a recent photo and the age documentation (i.e. copy of the ID card). The ID card copy lists the worker's name, household address and the date of birth. The workers' personnel files showed that the youngest worker was 21 years old. 6. Management interview and worker interviews showed that the facility verified all workers' original ID cards at the time of recruitment and kept the photocopies of workers' ID cards in the personnel files, and the facility would not recruit the applicant under the age of 16 years old. Evidence examined: - Personnel files of all employees - Latest list of employees - Records of any health checks - Management and employee 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	6%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	21
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
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	Fundamental Improvements Required
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 4

Code area 5.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust Wage and benefit policy and procedures were developed and established in the facility. The policy and procedure were comprehensive, and stipulated that the minimum wage, overtime wage, social security and other benefits must be provided according to the legal requirements. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Fundamental Improvements Required The facility had developed an annual training plan, trained employees according to the plan and the training records were provided for review. The facility had conducted related trainings and communications to the workers, supervisors and managers in June 2026. However, the facility has failed to assess the effectiveness of the employee training. Some employees were still not aware of the detailed policies and procedures. 4) Monitoring: Grade: Fundamental Improvements Required Responsibilities for monitoring implementation of 'Legal wages are paid' are defined by the Wage Procedure. The facility (HR leads in charge) continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. Nonetheless, non-compliance in terms of insufficient social insurance participation was detected. It is recommended that enhancements be made to fortify the management system and augment its overall efficacy. There is a risk of insufficient social insurance participated in manufacturing factories within this area. Most factories are unable to ensure that all employees participated in social insurance.

Summary of findings

← Code area 4

Code area 5.A →

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601540294

Systems and evidence examined to validate this code section

Systems:
1. The local minimum wage standard was RMB 2490 per month equivalent to RMB 14.31 per hour (2490/21.75/8) from 1 January 2024 to 31 December 2025; RMB 2660 per month equivalent to RMB 15.29 per hour (2660/21.75/8) since January 1, 2026.
2. All employees were paid by on monthly rate, the wage was paid by bank autopay in the end of each month after the wage calculation period. Each employee was given a pay slip. Based on provided payroll records, the minimum wage paid by the facility was RMB 4700 per month. The wage level was above the local standard.
3. The wages formation was well organized with a good controlled set of processes which were understood by all employees.
4. All employees were provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they were paid.
5. Benefits of paid and annual leave were given to all employees.
6. All social insurance payments were passed on to the relevant authorities in a timely manner. Insufficient social insurance participated.
7. Through document review and facility tour, no inconsistency was found between production records and provided attendance records.

Evidence examined:
1. Document review
2. Employee interview
3. Local and national laws
4. Wages and benefits policy
5. Local legal minimum wage documents
6. Payroll records from June 2025 to May 2026 and attendance records from 1 June 2025 to 26 July 2026 were reviewed.
7. Leave records
8. Social insurance and payment receipts from the local labour department
9. Labour contracts for all employees (to examine agreed wage rates)
10. Resignation records
11. Pay slips of all employees interviewed
12. Quality and production records to cross check hours

← Code area 4

Code area 5.A →

Findings: non-compliances

ZAF601540294

Non-compliance

Due 2026-09-29

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

Description

Insufficient social insurance participated. Through document review, according to the social insurance receipt of June 2026, auditor found that there were 97 employees (including 12 retired employees), 71 out of 85 unretired employees (83.5%) had participated in basic endowment insurance, unemployment insurance, basic medical insurance and maternity insurance. 79 unretired employees (92.9%) and 12 retired employees had participated in employment injury insurance. In addition, the facility provided commercial employer's liability insurance for 24 employees (including 6 employees who did not participated in employment injury insurance), valid from 25 November 2025 to 24 November 2026.

企业的社会保险覆盖不足。通过文件审核和企业提供的 2026年 6月社会保险缴费单据显示企业有97名员工在职（包括12名退休员工），未退休的85名员工中的71名（83.5%）参加了养老保险，失业保险，医疗保险，生育保险。79名未退休员工（92.9%）和12名退休员工参加了工伤保险。另外，企业给24名员工（包括6名未参加工伤保险的员工）购买了有效期从2025年11月25日到2026年11月24日的商业雇主责任保险。

Intended corrective and preventative actions, based on root cause analysis

The facility management stated that some employees did not want to participate in social insurance.
The facility management stated that they would ensure all employees participate in all 5 type social insurances as soon as possible.
Learn the relevant laws and regulations with the managers and increase the number of employees had participated in the insurance.

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

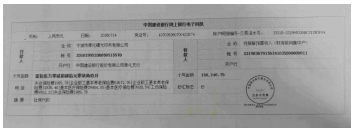
← Code area 4

Code area 5.A →

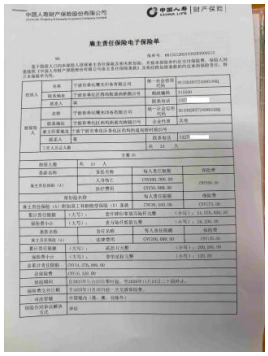
Local law reference

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

Evidence



Insufficient social insurance participated.JPG



Commercial employer's liability insurance.JPG

* PDF generated at 05:15 (UTC) on 31 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	Wages are based on job skills and experience Wages meet a living 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?	WageIndicator Typical Family 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 5

Code area 5.A →

Maximum legal working hours	**Max hours per day**	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable
Actual required working hours	**Required hours per day**	8.0
	Required hours per week	40.0
	Required hours per month	176.0
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	14.0
	Max hours per month	54.0
Minimum legal wage	**Min per hour**	15.29
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	2660.0
Actual minimum wage	**Actual per hour**	27.01
	Actual per day	216.08
	Actual per week	1080.4
	Actual per month	4700.0

← Code area 5

Code area 5.A →

Minimum legal overtime wage	**Min per hour**	22.93
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	40.52
	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 May 2026 (current month) 10 samples from January 2026 (random month) 10 samples from September 2025 (random month)
Are there different legal minimum/ legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Above legal minimum
Indicate the breakdown of workforce per earnings	100.0% of workforce earning above minimum wage.
Are there any bonus schemes used?	No

← 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	Systems: 1. The facility implemented and maintained systems for delivering compliance to this Code. 2. The facility communicates this Code to all employees by training as confirmed by training records and employee interviews. 3. The facility had set up policy and pointed one staff to update labour law requirements. 4. Through factory rules review, payroll records review and employees' interviews, the facility had idea of evaluation the local living wage, and they had completed the survey or calculating of the local living wage before the audit. 5. Employees' total pay had been included all benefit, and the wage was higher than the "living wage". The facility had conducted the living wage gap analysis, and key elements had been included. 6. A wage improvement plan that aims to pay workers a living wage had been included in the wage and benefit control procedures. 7. The facility established its living wage standard according to ILO principles for Living Wage Estimation in Ningbo. All employees in the facility were paid above the living wages defined by the facility (based on WageIndicator). The base wage of all 10 randomly selected employees was at least RMB 4700 per month. So the wage level was above the local standard. Evidence examined: 1. Living wage policy. 2. The calculating process of local living wage of the facility. 3. Payroll 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	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 5.A

Code area 7 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had formulated written policies and procedures regarding attendance management, overtime regulations, overtime remuneration, production contingency plan, and so forth. The policies make reference to the Employees Manual, which outlines the key mechanisms in place for preventing workers from excessive working hours. Those procedures include provision for young workers, female workers and pregnant workers. It regularly undertakes reviews and updates of these policies and posts them on the employees' noticeboard. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resources: Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Some Improvement Recommended The factory had developed an annual training plan, trained employees according to the plan. The facility had conducted related trainings and communications to the workers, supervisors and managers in June 2026. Effective mechanism was in place to ensure the training effectiveness, but through employee interview, isolated employees had forgotten some policies and procedures. 4) Monitoring: Grade: Fundamental improvements required Responsibilities for monitoring working hours Procedure was clearly defined. The factory (HR leads in charge) continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. The factory monitored the working hours regularly and had taken corresponding improvement measures based on the monitoring results. The monitoring process and protective measures were effective, there was a decreasing trend in the monthly overtime hours. However, there still noncompliance related to overtime hours as observed during in this audit, and the monitoring of working hours and protective measures still need to continue. There is a risk of monthly overtime hours exceeding the limit in factories within this area. Most factories are unable to ensure that the workers' monthly overtime hours are kept within 36 hours.

← 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.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601540295

← Code area 5.A

Code area 7 →

Systems and evidence examined to validate this code section	Systems: 1. During employee interview, all 10 randomly selected employees stated that they worked overtime on voluntary basis. 2. The facility used electronic attendance system (finger print or facial ID) to keep all employees working hours and then based on the attendance records to calculate wages. The payment cycle was calendar month. 3. In this audit, auditor had randomly selected production record, such as: material in/out records, daily production reports, and crosschecked these records with payroll records and attendance records, no inconsistency was noted. In addition, through employee interview, no inconsistency was noted either. 4. According to provided attendance records and employee interview basic working hours were 8 hours per day and 40 hours per week. At least one day off per week was provided for all employees. All employees worked for 5 days a week. 5. Based on the provided records, overtime working hour statistics were as the followings: 0-2 hours/ day in May 2026 (current month) 0-2 hours/ day in January 2026 (random month) 0-2 hours/ day in September 2025 (random month) 12 hours/week in May 2026 (current month) 10-12 hours/ week in January 2026 (random month) 12-14 hours/ week in September 2025 (random month) 40 hours/month in May 2026 (current month) 46 hours/month in January 2026 (random month) 54 hours/month in September 2025 (random month) Evidence examined: 1. Employee interview 2. Management interview 3. Local and national laws 4. Facility policy on working hours 5. Time records in electronic keeping system 6. Sample pay slips with recorded hours all employees interviewed 7. Employees contracts 8. Attendance records from 1 June 2025 to 26 July 2026 were reviewed. 9. Quality and production daily records to cross check hours

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601540295

Non-compliance

Due 2026-09-29

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)

Description

Monthly overtime working hours exceeded legal requirement. During document review, auditor found that: 1) In May 2026 (current month), the monthly overtime hours of all 10 randomly selected employees were 40 hours. 2) In January 2026 (random month), the monthly overtime hours of all 10 randomly selected employees were 46 hours. 3) In September 2025 (random month), the monthly overtime hours of all 10 randomly selected employees were 54 hours.

月加班超过法规标准。通过文件查阅。审核员发现： 1）2026年5月（随机月），所有随机抽取的10名员工的月加班时间为40小时。 2）2026年1月（随机月），所有随机抽取的10名员工的月加班时间为46小时。 3）2025年9月（随机月），所有随机抽取的10名员工的月加班时间为54小时。

Intended corrective and preventative actions, based on root cause analysis

The facility explained that there were too many orders in the facility and lack of workers.
The facility management stated that they would reduce the overtime hours to meet the legal requirement.
Established a policy and adjust the working arrangement to ensure that working hours compiled with the requirement of law.

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.

Status

Open*

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 →

Evidence



考勤号码	姓名	部门	日期	时间
1015	李	粉盒	2025-09-01	07:29 11:08 11:28 16:09
1015	李	粉盒	2025-09-02	07:23 11:05 11:22 16:05 16:22 18:30
1015	李	粉盒	2025-09-03	07:25 11:09 11:29 16:00 16:26 18:36
1015	李	粉盒	2025-09-04	07:28 11:05 11:21 16:03
1015	李	粉盒	2025-09-05	07:29 11:05 11:22 16:02 16:29 18:30
1015	李	粉盒	2025-09-06	07:27 11:03 11:26 16:03
1015	李	粉盒	2025-09-07	
1015	李	粉盒	2025-09-08	07:20 11:08 11:22 16:05 16:20 18:36
1015	李	粉盒	2025-09-09	07:20 11:08 11:27 16:08 16:25 18:30
1015	李	粉盒	2025-09-10	07:24 11:02 11:25 16:00
1015	李	粉盒	2025-09-11	07:21 11:00 11:26 16:01
1015	李	粉盒	2025-09-12	07:26 11:04 11:20 16:03
1015	李	粉盒	2025-09-13	07:27 11:06 11:23 16:03
1015	李	粉盒	2025-09-14	
1015	李	粉盒	2025-09-15	07:25 11:09 11:29 16:08
1015	李	粉盒	2025-09-16	07:29 11:08 11:23 16:02 16:20 18:30
1015	李	粉盒	2025-09-17	07:21 11:08 11:29 16:07
1015	李	粉盒	2025-09-18	07:29 11:06 11:29 16:04
1015	李	粉盒	2025-09-19	07:20 11:01 11:25 16:03 16:20 18:35
1015	李	粉盒	2025-09-20	07:23 11:00 11:22 16:08
1015	李	粉盒	2025-09-21	
1015	李	粉盒	2025-09-22	07:21 11:03 11:21 16:02 16:28 18:39
1015	李	粉盒	2025-09-23	07:20 11:02 11:23 16:09 16:25 18:39
1015	李	粉盒	2025-09-24	07:25 11:03 11:23 16:07
1015	李	粉盒	2025-09-25	07:21 11:05 11:20 16:05
1015	李	粉盒	2025-09-26	07:29 11:04 11:26 16:03
1015	李	粉盒	2025-09-27	07:26 11:02 11:23 16:08
1015	李	粉盒	2025-09-28	
1015	李	粉盒	2025-09-29	07:25 11:09 11:24 16:01 16:21 18:34
1015	李	粉盒	2025-09-30	07:28 11:08 11:22 16:05 16:25 18:36

Monthly overtime working hours exceeded legal requirement.jpg

* PDF generated at 05:15 (UTC) on 31 Jul 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?	Not applicable. The facility had paid 150% of normal rate to employees for their overtime on normal days, 200% of normal rate to employees for their overtime on rest days. No overtime was arranged on public 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?	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?	54.0
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

← Code area 6

Code area 8 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on anti-discrimination. The position of the facility is clearly stated in the Discrimination is practiced policy, which meets all workplace requirements in this code area. The policy stated that there is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. This procedure includes provision for non-employee workers (agency if applicable). The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The anti-discrimination Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust The Manager was responsibility for monitoring the implementation of this procedure. The procedure requires that the yearly internal audit is conducted by the HR manager. Any identification of misapplication of procedures, or concerns about application are escalated for action in the monthly management meeting. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 6

Code area 8 →

No findings

Systems and evidence examined to validate this code section	Systems: 1. As informed by interviewed employees, most employees spoke highly of the facility owner. 2. The facility had a dedicated equity approach in recruitment, training, development and promotion processes. Equal pay for equal job in the facility. 3. No employee was required to do the examination of the hepatitis B virus and HIV. 4. Anti-discrimination procedure on hiring, compensation, promotion and access to training was available during the audit. 5. Gender divisions did not exist in the facility; both female and male employees were distributed in all types of work. 6. There was an internal grievance process, all sampled employees were aware of the grievance channels in case they encountered any discrimination cases. 7. There was no evidence of sexual harassment. 8. No document showed any differential treatment to different workers, constituting discriminating. 9. The written procedures on recruitment, training, development and promotion processes showed that the recruitment requirements such as educational background, skills, experience, and etc were set according to the job need. During the daily operation, employees were given an equal resource and chance to participate in training, the personal development and promotion was based on employees' performance and ability contribution. For example, online interviews are provided for special employees; For applicants from ethnic minorities or dialect areas, bilingual communication tests (using Mandarin and the local language) were allowed; Each employee had the opportunity for promotion or advancement is generally carried out step by step, all results need to be made public. Evidence examined: 1. The hiring and termination procedure, leave application records and employee handbook. 2. Payrolls 3. Attendance records 4. Termination records 5. Training records 6. Management and employee interview

← 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)?	2%
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	All employees in the facility including all managers and supervisors were 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

← Code area 7

Code area 8.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on regular employment. The policy and procedure stipulated that employment contract with adequate terms should be signed with each employee. The usage of dispatched, outsourced labour, interns and temperature labour must be compliant with the legal requirements, although there was no such labour used at present. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The regular employment Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust The Manager was responsibility for monitoring the implementation of this procedure. The procedure requires that the yearly internal audit is conducted by the HR manager. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 7

Code area 8.A →

Systems and evidence examined to validate this code section	Systems: 1. All employees were recruited by the facility directly. No labour agency was used to hire employees. No temporary employee, apprenticeship schemes or home employee was identified by the auditor. 2. The facility signed labour contracts with the employees within one month, and all interviewed employees stated that they kept a copy of labour contracts by themselves. 3. All employees received pay slips in their own language when they were paid. 4. No subcontractor was used. 5. The effective management system was in place to identify and monitor the hiring and management of all workers. The local workers and migrant workers were hired legally and treated equally in the facility. 6. No temporary worker and apprenticeship scheme existed in the factory. No home-working existed in the factory. 7. Workers were not required to pay any recruitment fee at any stage of the recruitment process, which was confirmed by interviews with management and workers as well as reviewing of the written recruitment policy and procedure, the recruitment notice at gate, payrolls, etc. 8. The labour contracts of all workers were available for review. The labour contracts were signed by workers themselves. The interviewed workers knew clearly the contents of the labour contracts. The terms and conditions stated in the contracts accurately reflected the agreed payment and terms in the recruitment process and complied with local laws. Evidence examined: - The Recruitment and termination practices - Personal files with labour contracts and ID copies for the employees - Payroll records were provided for review. - Trainings records about the recruitment policy and procedure.

← 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	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 8

Code area 9 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on sub-contracting and homeworkers. The policy and procedure stipulated that the subcontractor and homeworker should be compliant with the applicable legal and ILO requirement. The site had established the audit process for the subcontractor and homeworker. There was no homeworker used by the site as per onsite observation. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The sub-contracting and homeworkers Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust The Manager was responsibility for monitoring the implementation of this procedure. The procedure requires that the yearly internal audit is conducted by the plant manager. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 8

Code area 9 →

Systems and evidence examined to validate this code section	Systems: 1. A site tour showed that all production processes were present in the unit. 2. No subcontractor was used by the facility and no homeworking was used by the facility. 3. The facility had established a policy to ensure sub-contracting would not be used unless previously agreed with the main client. Evidence examined: 1. Site tour (Calculation on total production and estimated capacity) 2. Reviewing of the production records such as materials receiving and issuing records 3. Management interview 4. Worker 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 The supplier did not buy products or services from suppliers that use homeworkers.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?	No All manufacturing processes could be completed in the facility and no sub-contracting was used.

← 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

← Code area 8.A

Code area 10.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on Prohibition of Harsh or Inhumane Treatment and Disciplinary, which were appropriate for the site context and were very likely to lead to sustainable compliance with all of the Workplace Requirements in the Base Code Area now and over time.The policy stated that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited, Companies should provide access to a confidential grievance mechanism for all workers and etc. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The 'No harsh or inhumane treatment is allowed' Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust The Manager was responsibility for monitoring the implementation of this procedure. The procedure requires that the yearly internal audit is conducted by the HR manager. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 8.A

Code area 10.A →

No findings

Systems and evidence examined to validate this code section	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 employees' interview, there was a policy on Harsh Treatment. 3. There was an internal process for grievance, which was an anonymous email address, where employees can report grievances (harassment, bullying, discrimination etc.), any received complaint would be handled by management, without any reprisal for the employee in question. All sampled employees were aware this system. 4. Through employee interview, no Harsh or Inhumane Treatment occurred in the facility. No negative information was found. All interviewees stated that the management was nice to them. Evidence examined: 1. The relevant policy on prevention of harassment and abuse 2. Internal grievance procedure documentation. 3. Training records 4. Management and employee interview

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	Yes, there is a formal grievance process The grievance process is available to all workers
What type of grievance mechanism(s) are available?	The workers could express their own feeling by worker representative and 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	Robust Management Systems

← Code area 9

Code area 10.B →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on environment protection. The policy and procedure stipulated that the site must obtain all the environmental protection permits and treat the pollutants according to legal requirements. The policy stated that Businesses must meet the requirements of local and national laws related to environmental standards, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc., Businesses shall be aware of their end client's environmental standards/code requirements and etc. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The Environment Protection Policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in July 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust The Manager was responsibility for monitoring the implementation of this procedure. The procedure requires that the yearly internal audit is conducted by the plant manager. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Records were kept of monitoring activities. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 9

Code area 10.B →

No findings

Systems and evidence examined to validate this code section	Systems: 1. The facility met local law requirements regarding environment. The facility had communicated their environmental protection to their own suppliers. 2. The facility established the environmental protection policy and collected law and regulation on environment protection. 3. The enterprise had obtained environmental documents required by local law. The facility had provided pollutant discharge registration and monitoring test report of waste gas for review. No wastewater was discharged by the production process. 4. One manager was appointed responsible for environmental issues. 5. The facility has not been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations. Evidence examined: 1. Environmental training records 2. Environment Impact Assessment documents 3. Pollutant discharge registration and monitoring test report of waste gas 4. Employee and management interview 5. Facility tour

← 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?	No environmental or energy management certificate was obtained.
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	Systems: 1. The facility established the environmental protection policy. The facility had communicated their environmental protection to their own suppliers. 2. The facility had provided pollutant discharge registration and monitoring test report of waste gas for review. No wastewater was discharged by the production process. 3. The facility conducted the training for all employees on the avoidance of environmental impact. The facility established a comprehensive and tested emergency plan to mitigate environmental impact in case of incidents. 4. One manager was appointed responsible for environmental issues. 5. The enterprise had obtained environmental documents required by local law. 6. The facility measure and monitored its energy usage. Electricity consumption, water usage, water waste and all other waste were monitored monthly and a matrix report was kept on file. 7. The facility had not been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations. Evidence examined: 1. Environmental protection policy, environmental pollution emergency plan and environment training record were provided for review. 2. Energy bills and water bills 3. Environmental policy, procedures 4. Management interview, employee interview and facility tour

← Code area 10.A

Code area 10.C →

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?	Prioritising local suppliers Packaging optimization 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 The facility had established related system.
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))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

Usage/discharge analysis

	Last full calendar year (2025)	**Previous full calendar year (2024)**

← Code area 10.B

Code area 10.C →

Total electricity consumption from non-renewable sources (kWh)	979,210	1,095,120
Total electricity consumption from renewable sources (kWh)	411,159	501,180
Sources of renewable energy used	Onsite generated	Onsite generated
Types of renewable energy used	Solar	Solar
Total natural gas consumption (kWh)	4	5
Usage of other purchased fuels	None	None
Has the site completed any carbon footprint analysis?	No	No
Water sources	City water company	City water company
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	6,000	6,500
Water discharged	Municipal sewage	Municipal sewage
Water volume discharged (m3)	5,100	5,350
Water volume recycled (m3)	800	1,000
Total waste produced (mt)	12.1	14
Total hazardous waste produced (mt)	1.1	1.5

← Code area 10.B

Code area 10.C →

Waste to recycling (mt)	8.6	9.1
Waste to landfill (mt)	0	0
Waste to other (mt)	2.4	3.4
Total product produced (mt)	5,000	5,800

← 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

← Code area 10.B

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility had established policy and procedure on business ethics, which are appropriate for the site context and are very likely to lead to sustainable compliance with all of the Workplace Requirements in the Base Code Area now and over time. The policy and procedure were reviewed and updated annually or when there was a need. 2) Resource Grade: Robust One manager was responsible for ensuring the implementation of the site policies. This individual has sufficient authority to ensure that procedures are carried out. Specific operational responsibilities for implementing the procedures were clear. Procedures were in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the training supervisor. The business ethics policy is available and communicated to all employees. The facility provided the relevant trainings for all employees regularly and the latest training was conducted in June 2026. All interviewed employees expressed familiarity with relevant policies. 4) Monitoring: Grade: Robust The Manager was responsibility for monitoring the implementation of this procedure. The procedure requires that the yearly internal audit is conducted by the plant manager. The facility conducted internal audit to monitor the effectiveness of procedure on Prohibition of Business ethics. Records were kept of monitoring activities. No Business ethics incident happened in past 12 months. No finding was raised in this section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 10.B

Systems and evidence examined to validate this code section	Systems: 1. One manager had been designated as person responsible for implementing standards concerning Business Ethics. 2. Training for relevant staff on taking action to Business Ethics issue had been reviewed. 3. The site had received and read the Business Ethics policy of the auditor/audit company. 4. There were some internal grievance processes, which was a management suggestion box. 5. The facility had communicated their Business Ethics policy to their own suppliers. Evidence examined: 1. The company business ethics policy including Bribery and Corruption. 2. Employee handbook 3. Records from anonymous suggestion scrip. 4. Employee and management interview. 5. Site tour

← 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 certified anti-bribery Management Systems for the facility.

← Code area 10.C

Attachments



No smoking sign.JPG



Box making-2.JPG



Bulletin.JPG



Forklift.JPG



Printing.JPG



Facility name.JPG



Fire alarm.JPG



Fire hydrant.JPG



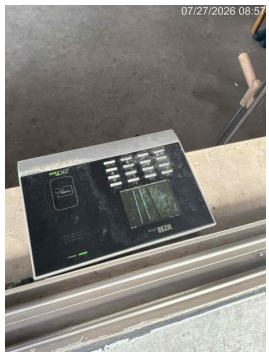
Toilet.JPG



Facility buildings.JPG



Suggestion box.JPG



Attendance record machine.JPG



Eyewash equipment.JPG



Facility address.JPG



Facility gate.JPG



Personal lockers.JPG



Exit sign, emergency light, fire alarm.JPG



Chemical warehouse.JPG



Canteen.JPG



Waste gas treatment device.JPG



Box making-1.JPG



Cargo lift.JPG



Occupational Hazard Notification Card.JPG



Fire extinguishers.JPG



Printing employees wore PPEs.JPG



Evacuation plan.JPG



Hydraulic disintegration.JPG



First aid box.JPG



Die-cutting and indenting-2.JPG



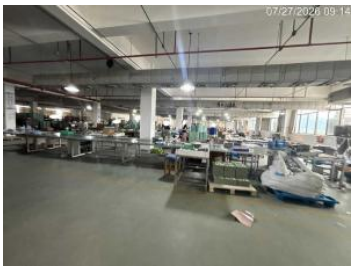
Electrical box with warning sign.JPG



Evacuation sign.JPG



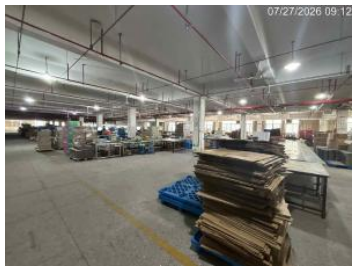
Drinking water.JPG



Assembly and packing (2).JPG



Raw material warehouse.JPG



Assembly and packing (1).JPG



MSDS.JPG



Surface treatment.JPG



Finished products warehouse.JPG



Kitchen.JPG



Cutting.JPG



Die-cutting and indenting-1.JPG



Injection.JPG

A5315203 on-site cap.pdf



Smoke detectors and spraying system.JPG