

# Sedex Members Ethical Trade Audit Report

Version 7



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# Audit content

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

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

## 2-pillar audits include:

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

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

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

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

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



# Audit details

## Site details

Sedex site reference		Site name	Ltd
Business name	Ltd	Site address	<div>CN</div>

## Audit details

Sedex company reference		Auditor company name	BUREAU VERITAS CPS - ASIA
Audit company address	7th Floor. Octa Tower. 8 Lam Chak Street, Kowloon Bay, Kowloon, HONG KONG, CN, -		
Date of audit	2026-01-07	Audit conducted by	Lillian Liang
Audit pillars	Labour Standards   Health and safety   Environment 4-Pillar   Business ethics		
Time in and out	Day 1		Day 2
	In	09:00	In 09:00
	Out	17:00	Out 14:00
Audit type	Periodic		
Was the audit announced?	Semi announced		

Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? Mr. [REDACTED] / Factory Director

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	NA. No worker union was set up in the factory.		
Reason for absence during the audit	NA. No worker union was set up in the factory.		
Reason for absence at the closing meeting	NA. No worker union was set up in the factory.		

# SMETA declaration

## Auditor team

### SMETA declaration

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

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

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

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

1. This audit includes elements beyond the scope of a Social Compliance Audit as defined by the APSCA Competency Framework. The association of the auditor's APSCA number with this report is limited to those elements outlined in the APSCA Competency Framework. APSCA makes no representations with respect to the auditor's competency to professionally evaluate compliance with any other audit elements.
2. The semi-announce window of this audit is 3 weeks from December 22, 2025 to January 12, 2026.

### Lead auditor

Lillian Liang

### APSCA Number

21701326

### Additional auditor

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Auditor team

Date of declaration 2026-01-08

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. [REDACTED]

**Title** Factory Director

**Date of declaration** 2026-01-08

# Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.M Ensure all machinery is installed, mainta...	Local law	NC [REDACTED]
	3.N Ensure that all hazardous substances (e.g...	Local law	NC [REDACTED]
	3.N Ensure that all hazardous substances (e.g...	Local law	NC [REDACTED]
	3.O Implement an appropriate electrical safet...	Local law	NC [REDACTED]
	3.R Provide clean and secure toilets, wash ar...	Base code	NC [REDACTED]
	3.R Provide clean and secure toilets, wash ar...	Local law	NC [REDACTED]
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC [REDACTED]
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC [REDACTED]

# 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	✓	✓	i	⚠
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

# Site details

## Company and site details

Sedex company reference	
Sedex site reference	
Company name	Ltd
Business ownership type	GOODS
Site name	Ltd
Site name in local language	



## Company and site details

GPS location	GPS address	<div data-bbox="1054 443 1517 477"></div> <div data-bbox="1054 481 1517 515"></div> <div data-bbox="1054 519 1533 1328"> <p>The audited factory rented the partial 2nd floor and whole 3rd to 4th floor of one 4-storey production from “<div data-bbox="1257 629 1517 663"></div>” used as production and office area. No canteen or dormitory was provided to employees. Other areas of factory building were rented by other factories or used by landlord. According to document reviewed, factory management had provided the related lease contract and business license to review. All tenants had signed the management of safety production and fire safety contract with landlord. Per factory tour, factory management and employee interview, all facilities had their own business licenses and management system, and manufactured different products from the audited facility. No worker exchanged was noted on the audit day.</p> </div>
	Coordinates	<div data-bbox="1054 1368 1430 1402"></div> <div data-bbox="1054 1406 1198 1435"></div>
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Mr. <div data-bbox="1102 1615 1222 1637"></div>
	Job title	Factory Director
	Phone number	
	Email	

[← Management systems](#)

[Worker analysis →](#)

Company and site details

Applicable business and other legally required business license numbers and documents

- 1. Business License Number [redacted] valid date from February 10, 2023
- 2. Tax ID number [redacted]
- 3. Stationary Pollution Source Pollution Discharge Registration Permit Number [redacted] valid date from December 20, 2023 to December 19, 2028.

## Site activities

Site function	Factory Processing/Manufacturer	
Site activities	Primary	Other manufacturing n.e.c.
	Secondary	
	Other	
Product type	Manufacture of Bags	
Process overview	<p>The factory was specialized in the manufacture of Bags;  The main production activities in the factory were cutting, sewing, inspection and packing;  Production line: 1;  The main equipment was cutting machines, sewing machines, packing machines, cargo lifts, etc.</p>	
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?	<p>No</p> <p>The audited factory rented the partial 2nd floor and whole 3rd to 4th floor of one 4-storey production from '████████████████████ Co., Ltd" used as production and office area. No canteen or dormitory was provided to employees. Other areas of factory building were rented by other factories or used by landlord. According to document reviewed, factory management had provided the related lease contract and business license to review. All tenants had signed the management of safety production and fire safety contract with landlord. Per factory tour, factory management and employee interview, all facilities had their own business licenses and management system, and manufactured different products from the audited facility. No worker exchanged was noted on the audit day.</p> <p>The total area of structure occupied by the facility was about 2,200 square meters.</p>
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[← Site details](#)

[Worker analysis →](#)

## Site scope

Building 1	Last construction works on site	2004
	If building is shared, provide details	<p>The audited factory rented the partial 2nd floor and whole 3rd to 4th floor of one 4-storey production from "██████████ Co., Ltd" used as production and office area. No canteen or dormitory was provided to employees.</p> <p>Other areas of factory building were rented by other factories or used by landlord.</p> <p>According to document reviewed, factory management had provided the related lease contract and business license to review. All tenants had signed the management of safety production and fire safety contract with landlord. Per factory tour, factory management and employee interview, all facilities had their own business licenses and management system, and manufactured different products from the audited facility. No worker exchanged was noted on the audit day.</p>
	Number of floors	4
	Description of floor activities	<p>Production building No.1:</p> <p>1F/ used by landlord and other tenant</p> <p>2F/ packing workshop, finished goods warehouse, other areas used by landlord</p> <p>3F/ sewing and inspection workshop, development sample room</p> <p>4F/ office, raw materials warehouse, cutting workshop</p>
Is there any difference between the site scope of the audit and the Sedex site profile?		No

[← Site details](#)

[Worker analysis →](#)

## Site scope

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

No

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

No

## Worker accommodation and transport

Are there any site-provided worker accommodation buildings?

No

Does the site organise worker transport to the worksite?

Not provided

The site did not provide worker transport to the employees in worksite. Workers organized their own transport. No legal requirement for employee transportation.

## Work patterns

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

Is there any night shift work at the site?

No

[← Site details](#)

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## Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?

No

Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?

No

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

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?

No

No Human Rights Impact Assessment (HRIA) was ever conducted in the site.

[← Site details](#)

[Worker analysis →](#)

# Worker analysis

Gender disaggregated data available

Men and women

## Worker totals

	Men	Women	Other	Total
Number of workers	11 (29.7%)	26 (70.3%)	- -	37 (100%)

## Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	11 (29.7%)	26 (70.3%)	- -	37 (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

### Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	7 (29.2%)	17 (70.8%)	- -	24 (64.9%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	7 (29.2%)	17 (70.8%)	- -	24 (64.9%)

\* % of total workforce

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

Anhui, Jiangxi, Sichuan, Guizhou, Gansu and Yunnan Provinces

### Workers by age

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

\* % of total workforce



Is the worker analysis data relevant for peak season and current to the audit?

No

Describe how this may vary during peak periods

N/A. There was no obvious peak season 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	30%	70%	-	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	11 (29.7%)	26 (70.3%)	- -	37 (100%)
Salaried workers	0 -	0 -	- -	0 (0%)

\* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

## Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 (0%)
Paid weekly	0 -	0 -	- -	0 (0%)
Paid monthly	11 (29.7%)	26 (70.3%)	- -	37 (100%)
Other	0 -	0 -	- -	0 (0%)

\* % of total workforce

If other payment cycle entered, please provide details

NA. No other payment cycle.

## People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	2 (100%)	0 (0%)	- -	2
Supervisors or team leaders	0 (0%)	2 (100%)	- -	2
Administrative staff	4 (80%)	1 (20%)	- -	5

[← 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)

All workers interviewed had a positive attitude to management and site. No complaint was raised.

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

Equal opportunities  
Freedom of movement  
Grievance mechanisms  
Hours worked, rest days or breaks  
Job security  
Overtime  
Pay  
Social benefits & insurance (e.g. ability to book annual leave, maternity leave, pensions etc.)  
Social dialogue (e.g. freedom to associate)  
Training and development  
Work atmosphere (e.g. treatment by supervisors)  
Work environment – comfort (e.g. temperature, noise or dust levels)

## Attitude of workers

### Additional comments

10 workers were randomly selected from different departments for private interview. The workers were assured of confidentiality, and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory, and they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect.

They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns to their worker representative who would take it to the worker management committee.

They got paid on time and the factory treated them with respect and dignity. Working environment was comfortable.

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

Workers expressed that they sometimes wanted to work extra, to earn more money, however they could turn down overtime if they wanted.

Remark:

Apart from the 10 workers interviewed listed in the worker analysis table, another 2 employees were interviewed for business ethics and 2 employees for environment as this is a 4-pillar audit.

### Attitude of workers' committee/union representatives

Worker representatives showed positive attitude towards auditor during interview process and meeting. The worker committee reps were satisfied with the working conditions, and they stated that they could give suggestions on all parts of the site's practices. Worker representative was aware about the responsibility, and he understood that he is the bridge between management and workers.

### Attitude of managers

At the opening meeting, auditor explained the audit scope and the audit standard to the factory representative.

Factory tour, document review, interviews with management members and workers were conducted as scheduled in the audit programs. A full audit was finished under the co-operation of the factory representatives.

The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they took notice of the findings of the internal audit team and had implemented a Health & Safety committee to take care of health and safety concerns.

## Workers interviewed by type

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

## Workers interviewed by group/individual

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

[← Worker analysis](#)

[Measuring workplace impact →](#)

## Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	2	4	-	6
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	2	4	-	6

# Measuring workplace impact

Gender disaggregated data available

Men and women

## Annual worker turnover (%)\*

	Men	Women	Other	Total
Last full quarter (90 days)	4.3%	3.8%	-	8.1%
Last full calendar year (2025)	5.3%	5.1%	-	10.4%
Previous full calendar year (2024)	5.5%	5.3%	-	10.8%

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

## Rate of absenteeism (%)\*

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

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

Are accidents recorded?

Yes

No accident happened in the past 12 months. Accident would be recorded if occurred.



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%

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

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

# 0. Enabling accurate assessment

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current System:</p> <ol style="list-style-type: none"> <li>The auditor had been given access to all areas of the site. All requested documents were provided to review during the audit.</li> <li>The auditor was able to sample freely within the time period within scope.</li> <li>Factory management was cooperated with auditor to enable the accurate assessment. No bribery or threaten issue occurred during the audit.</li> <li>The site scope was matched with Sedex Site Profile (Site Information).</li> <li>Factory had a designated Mr. [REDACTED] Factory Director for implementing standards concerning Human Rights and responsible for EHS .</li> <li>The human right policy was communicated and trained to all workers.</li> </ol> <p>Details: 1. Document review: Employee handbook, human right policy, social responsibility policy, training records, etc.</p> <ol style="list-style-type: none"> <li>Management and employee interview.</li> <li>Facility tour.</li> </ol>		

0. Enabling accurate assessment

Data points

Has the site received an official notice, fine, prosecution, or withhold release order (WRO) for non-compliance with legislation, regulation, consent, or permits within the last three years, relating to Health and Safety, labour rights or the environment?

No

Did any workers selected by the auditor decline to be interviewed?

No

# 1. Employment is freely chosen

## Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Robust Management Systems

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

The employment freely chosen policies 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. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for employment freely chosen. General Manager was named within the employment freely chosen policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

[← Code area 0](#)

[Code area 1.A →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current System:</p> <ol style="list-style-type: none"> <li>1. A policy which prohibits forced labour was available for review.</li> <li>2. Generally, the factory requires the workers to provide their ID cards for age verification during the recruitment process. The hardcopies would be archived in the personal files while the original ID cards would be returned to the workers.</li> <li>3. The employee handbook – given to new joiner's stated that: <ul style="list-style-type: none"> <li>• Employee would be given their full wages on their last day of work</li> <li>• The factory does not limit the employees' freedom.</li> <li>• The facility wouldn't hire the forced, bonded or involuntary prison labour.</li> </ul> </li> </ol> <p>Details:</p> <ol style="list-style-type: none"> <li>1. Document review: <ul style="list-style-type: none"> <li>Prohibits forced labour policy</li> <li>Personnel files (all samples were checked)</li> <li>Resignation records</li> <li>Factory rules</li> <li>Employee handbook</li> </ul> </li> <li>2. Management and worker interview</li> </ol>		

1. Employment is freely chosen

Data points

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



## Management systems

### Explanation for management systems grades

The recruitment and entitlement to work policy is clear, complete and accurate about the nature of work, location, working conditions including working time, living conditions and costs (where relevant), employment terms, wages and benefits, identity of the employer, and any immigration requirements, and that terms do not change to workers’ disadvantage during recruitment, which was compliance with all of the Workplace Requirements in the Base Code Area. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for recruitment and entitlement to work. General Manager was named within the recruitment and entitlement to work policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

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

**Current system:**

1. Employee was hired by facility directly. No non-employee worker was noted. No labor providers or recruitment partners were used. No onsite subcontractors were noted.
2. Evidence of legal eligibility to work – a clear copy (scanned, photocopy or photograph) of the original ID.
3. The recruitment policy is clear, complete and accurate about the nature of work, location, working conditions including working time, living conditions and costs (where relevant), employment terms, wages and benefits, identity of the employer, and any immigration requirements, and that terms do not change to workers' disadvantage during recruitment.
4. Facility had established the policy of forbidden hired child labour and protection of young worker.
5. Facility didn't charge any fee from employees during the recruitment. No recruitment fees or related costs were noted.

**Details:**

**1. Document review:**

Recruitment policy

Resignation records

Factory rules

Employee handbook

**2. Management and worker interview**

## 1.A. Responsible recruitment and entitlement to work

### Data points

#### Labour hire

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

#### Migrant workers

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

[Code area 2 →](#)

Percentage of workers that are migrant 65%

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 Anhui, Jiangxi, Sichuan, Guizhou, Gansu and Yunnan Provinces

## Recruitment fees

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

Were recruitment fees or costs identified during worker interviews? No

NA. No any recruitment fees.

[← 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

## Management systems

### Explanation for management systems grades

The policy for freedom of association and collective bargaining agreement were sound. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for freedom of association and collective bargaining agreement. General Manager was named within the freedom of association and collective bargaining agreement policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific EHS committee responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year. The meeting was held each quarter.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

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

Current system:

1. There were Worker Representative in the factory.
2. Suggestion box was set up in safety place.
3. The right to freedom of association and collective bargaining was facilitated by facility.
4. According to workers interview, they were free to join organizations, the factory management recognized and respected their rights to freedom of association and collective bargaining.

Details:

1. Management interview
2. Worker interview
3. Worker representative interview
4. Document review:
  - Meeting records from the regular worker representative meeting.
  - Suggestions from the suggestion box and actions taken records

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

### Data points

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

Management systems

Explanation for management systems grades	<p>The policy for Health and Safety, and chemical usage was sound. There is a clear procedure for updating documentation according to changing requirements or situations.</p> <p>There is clear management responsibility for Health and Safety. General Manager was named within the Health and Safety policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific EHS committee responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.</p> <p>Auditor noted that no MSDS posted onsite, insufficient distance between stacks and walls, and insufficient hygiene facilities in the toilet. The insufficient training and communication were fundamental root cause of those issues. Isolated cases of individuals relevant to achieving compliance with the Base Code Area, the complete EHS trainings were provided to employees, but the training still needs to be further improved.</p> <p>Based on written procedure, internal audits, monitoring of key performance indicators (especially for the high-risk positions related to production workshop), accident analysis, hazard chemical risk analysis are carried out annually. The most recent one was conducted in October 2025. However, there is no evidence to show that corrective actions have been implemented based on internal audit results.</p>
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Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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### 3. Working conditions are safe and hygienic

3.M Ensure all machinery is installed, mainta...	Local law	NC	
3.N Ensure that all hazardous substances (e.g...	Local law	NC	
3.N Ensure that all hazardous substances (e.g...	Local law	NC	
3.O Implement an appropriate electrical safet...	Local law	NC	
3.R Provide clean and secure toilets, wash ar...	Base code	NC	
3.R Provide clean and secure toilets, wash ar...	Local law	NC	

[← Code area 2](#)

[Code area 4 →](#)

## Systems and evidence examined to validate this code section

### Current system:

1. Ventilation, temperature and lighting were adequate for the production processes.
2. The factory maintained a comfortable temperature in production area.
3. Sufficient first aid kits stocked with necessary supplies are provided in all workshops.
4. Potable water was free of charge and available in all areas and test certificates were up-to-date.
5. Minutes of meetings showed monthly meetings between the H&S committee (workers) and the H&S manager, and each items were implemented.
6. Fire drill records were provided for review. Recent two joint-fire drills were conducted on April 18, 2025 and October 15, 2025 respectively.
7. There were at least 2 exits for all work areas and all the exits were clearly marked.
8. Fire-fighting equipment was adequate, and checks were up-to-date.
9. Evacuation diagrams were posted in all areas and understood by all workers interviewed.
10. All electrical equipment were in good condition such as sockets, plugs, switches and main fuse boards.
11. There were competent electricians at the site and their training certificates were available for review.
12. The facility had provided the legal construction safety document (e.g. report or registration files of inspection for completed building construction projects) to review.
13. The factory had assigned the Mr. [REDACTED] Factory Director who responsible for chemicals management and provided the chemicals safety training to related employees.

### Details:

1. Document review:
  - Health and safety policy
  - Health and safety manual
  - Health and safety committee minutes
  - Training records and certificates
  - Fire equipment maintenance records
  - Trained first aider register
  - Fire drill records
  - Risk assessment report
2. Interviews with H&S manager
3. Interviews with workers and H&S committee members
4. factory tour

# Findings: non-compliances

[REDACTED]		Non-compliance	Due 2024-02-21
Code area	Status		
3 Working conditions are safe and hygienic	Closed (2026-01-15)*		
Workplace requirement	Time given to resolve		
3.M Ensure all machinery is installed, maintained, and used in a safe manner.	30 days		
Issue title	Verification method		
264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)	Desktop audit		
Description	Area of non-compliance/non-conformance		
Periodic Audit on January 7&8, 2026: During this audit, it was noted that all sewing machines were installed with needle guards and pulley guards in the sewing workshop of the production building. 此次审核发现，工厂生产楼针车车间内的针车均安装了针挡和皮带轮保护罩。	Local law		
Description (carried over)			
English: It was noted that 10 out of 12 flat sewing machines in the sewing workshop were not equipped with needle guards and 2 out of 2 high-head sewing machines being used in the same workshop were not equipped with the eyes' protection devices and pulley guards. Local language: 审核发现车缝车间10/12台平车没有安装针挡, 2/2台高车没有安装护目器和皮带轮保护罩。			
Corrective and preventative actions			
NC issue was corrected during this audit.			
Corrective and preventative actions (carried over)			
English: It is recommended that management adopt practices and controls to ensure that all sewing machines are equipped with needle guards and all high-head sewing machines are equipped with the eyes' protection devices and pulley guards. Local language: 建议工厂为所有的平车安装针挡，高车安装护目器和皮带轮保护器。			

Local law reference

In accordance with Article 6.1.6 of Code of Design of Manufacturing Equipment Safety and Hygiene, the exposed dangerous components or part of any transmission belts, rotational axis, transmission chain, coupling, belt wheel, gear, flying wheels, chain wheels, electric saw and others, which is within 2 meters height of the plane where the operator is operating such devices shall be equipped with safety devices. Article 6.3 of Code of Design of Manufacturing Equipment Safety and Hygiene, for supercooling and overheating, if the hot or supercooled parts of the production equipment may cause danger, they must be equipped with anti-contact shielding. 根据《生产设备安全卫生设计总则(GB5083-1999)》第6.1.6条：以操作人员操作位置所在平面为基准，凡高度在2m之内的所有传动带、转轴、传动链、联轴节、带轮、齿轮、飞轮、链轮、电锯等外露危险零部件及危险部位，都必须设置安全防护装置。根据《生产设备安全卫生设计总则(GB5083-1999)》第6.3 过冷与过热，若生产设备的灼热或过冷部位可能造成危险，则必须配置防接触屏蔽。

Evidence



[corrective action taken photo - pulley guard was installed in the sewing machine.JPG](#)



[corrective action taken photo - needle guard was installed in the sewing machine.JPG](#)

\* PDF generated at 07:44 (UTC) on 16 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.



Non-compliance

Due 2025-03-14

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-01-15)\*

[← Code area 3](#)

[Code area 4 →](#)

## 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.

## Time given to resolve

60 days

## Issue title

232 - Non-hazardous chemicals are stored unlabelled or labelling is incorrect

## Verification method

Desktop audit

## Area of non-compliance/non-conformance

Local law

## Description

Periodic Audit on January 7&8, 2026:

During this audit, it was noted that all chemical containers were put in the secondary containers and posted with safety labels in the production workshop of the production building.

此次审核发现，工厂生产楼生产车间内所有的化学品容器均设置了二次容器且张贴了安全标签。

## Description (carried over)

English: It was noted that 1 out of 1 machine oil container being used in the production workshops of the production building was not posted with name label.

Local language: 审核员发现工厂生产楼生产车间内有1/1瓶机油没有张贴内容标签。

## Corrective and preventative actions

NC issue was corrected during this audit.

## Corrective and preventative actions (carried over)

English: It is recommended that management adopt practices and controls to ensure that all machine oil containers stored or being used in the factory were posted with the name label.

Local language: 建议所有在工厂内储存和使用的机油容器都张贴有内容标签。

## Local law reference

English: In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place:

(1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed.

Local language: 根据《工作场所安全使用化学品规定》第14条：(1)使用单位购进的化学品需要转移或分装到其他容器时，应标明其内容。对于危险化学品，在转移或分装后的容器上应贴安全标签；(2)盛装危险化学品的容器在未净化处理前，不得更换原安全标签。

## Evidence

[← Code area 3](#)

[Code area 4 →](#)





[corrective action taken  
photo - the content label  
and secondary container  
were set for chemicals.JPG](#)

\* PDF generated at 07:44 (UTC) on 16 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

Non-compliance

Due 2026-03-17

#### Code area

3 Working conditions are safe and hygienic

#### Status

Open\*

#### 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.

#### Time given to resolve

60 days

#### Verification method

Desktop audit

#### Issue title

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

#### Area of non-compliance/non-conformance

Local law

#### Description

It was noted that no material safety data sheet for products (MSDS) was posted onsite for the chemicals (e.g., ethyl alcohol) being used in the inspection workshop of the production building.

审核员发现工厂生产楼检验车间内使用了酒精，但是现场没有张贴相关化学品安全技术说明书(MSDS)。

#### Corrective and preventative actions

It is recommended that management adopt practices and controls to ensure that all chemicals being used in the factory have complete material safety data sheet for products (MSDS) which are also provided to the relevant employees handling chemicals in the factory.

建议所有在工厂使用的化学品都具备完整的化学品安全技术说明书(MSDS)，并提供给工厂内使用化学品的相关员工。

[← Code area 3](#)

[Code area 4 →](#)



Local law reference

In accordance with Article 27 of the Regulation For Chemical Usage Safety in Work Place: Staff and workers are entitled to receive: (1) Date and information in description of the specific characteristics, hazardous ingredients, and safety precaution marks of the chemicals to be used in the working premises, and instructions upon safety techniques, etc. (2) Information concerning the probability of occurrence of harm against safety and health of staff and workers caused by hazardous chemicals in the working process. (3) Trainings upon safety techniques, including trainings with regard to prevention and control, and danger-avoiding methods, handling of emergency cases, or emergency measures. (4) Labor protection articles in conformity to State stipulations.

根据《工作场所安全使用化学品规定》第27条：职工有权获得：(1)工作场所使用化学品的特性、有害成分、安全标签以及安全技术说明书等资料；(2)在其工作过程中危险化学品可能导致危害安全与健康的资料；(3)安全技术的培训，包括预防、控制、及防止危险方法的培训和紧急情况处理或应急措施的培训；(4)符合国家规定的劳动防护用品。

\* PDF generated at 07:44 (UTC) on 16 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

		Non-compliance	Due 2024-02-21
Code area	Status		
3 Working conditions are safe and hygienic	Closed (2026-01-15)*		
Workplace requirement	Time given to resolve		
3.O Implement an appropriate electrical safety program to ensure that electrical hazards are reduced and controlled by appropriately qualified personnel.	30 days		
Issue title	Verification method		
227 - Unmarked/incorrect labels/signage/instructions for electrics	Desktop audit		
Description	Area of non-compliance/non-conformance		
Periodic Audit on January 7&8, 2026: During this audit, it was noted that sampled electrical boxes were posted with electrical warning signs in the production workshop of the production building. 此次审核发现，工厂生产楼生产车间内抽检的配电箱均张贴了触电警示标识。	Local law		
Description (carried over)			
English: It was noted that no warning sign was marked on the electricity switch box of 1 out of 2 cutting machines in the cutting workshop. Local language: 审核发现工厂裁断 车间1/2台裁断机的开关箱没有安装警示标志。			

**Corrective and preventative actions**

NC issue was corrected during this audit.

**Corrective and preventative actions (carried over)**

English: It is recommended that management adopt practices and controls to ensure that all electricity devices and circuit in the factory are marked to avoid electric shock.

Local language: 建议工厂对整个工厂的电气设施安装警示 标志。

**Local law reference**

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

**Evidence**



[corrective action taken photo - the electrical warning sign was posted on the electrical box.JPG](#)

\* PDF generated at 07:44 (UTC) on 16 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

Non-compliance

Due 2025-02-12

Code area	Status
3 Working conditions are safe and hygienic	Open*
<a href="#">← Code area 3</a>	<a href="#">Code area 4 →</a>

## 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.

## Time given to resolve

30 days

## Verification method

Desktop audit

## Issue title

332 - Sanitary facilities are inadequate to protect women's health, safety or privacy (e.g. lack menstrual hygiene facilities, or toilets not separated by gender)

## Area of non-compliance/non-conformance

Base code

## Description

Periodic Audit on January 7&8, 2026:

It was noted that the toilet paper and menstrual hygiene facilities were not available in the toilet located at the production workshops of the production building.

审核员发现工厂生产楼生产车间内的洗手间没有配备厕纸和女性卫生巾。

## Description (carried over)

English: It was noted that toilet paper, soap, and menstrual pads were not available in the toilet located at the production workshops of the production building.

Local language: 审核员发现工厂生产楼生产车间内的洗手间没有厕纸，香皂和女性卫生巾。

## Corrective and preventative actions

It is recommended that management adopt practices and controls to ensure that factory management assigned the responsible person, and did the daily check as routine work, and supplement in time.

建议工厂任命相关负责人，且定期日常检查作为日常工作内容，及时补充所需物品。

## Corrective and preventative actions (carried over)

English: It is recommended that management adopt practices and controls to ensure that toilet paper, soap, and menstrual hygiene facilities are provided in the toilets located at the production workshops.

Local language: 建议工厂在生产车间的洗手间配备厕纸，香皂和女性卫生巾。

## Evidence

[← Code area 3](#)

[Code area 4 →](#)



NC photo - the toilet paper and menstrual hygiene facilities were not available in the toilet.JPG

\* PDF generated at 07:44 (UTC) on 16 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

<div></div>		Non-compliance	Due 2026-03-17
<b>Code area</b>	<b>Status</b>		
3 Working conditions are safe and hygienic	Open*		
<b>Workplace requirement</b>	<b>Time given to resolve</b>		
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.	60 days		
<b>Issue title</b>	<b>Verification method</b>		
327 - Storage of goods not in line with legal requirements (e.g. too high)	Desktop audit		
<b>Description</b>	<b>Area of non-compliance/non-conformance</b>		
It was noted that the gap between stacks and walls was 0 meter, which was less than the legal requirement of 0.5 meter in the finished goods warehouse of the production building  审核员发现成品仓库库存物品垛与墙的间距为0米，小于法定0.5米的要求。	Local law		
<b>Corrective and preventative actions</b>			
It is recommended that management adopt practices and controls to ensure that the width of gap between stacks and walls in the warehouse are in accordance with the legal requirement.  建议工厂确保仓库库存物品垛与墙的间距符合法律要求。			

### Local law reference

In accordance with Article 18 of Rules for Storage Fire Prevention Safety Management: The goods in storage should be classified for storage. The area occupied by any single stack shall preferably not be greater than 100 square meters. Space shall be at least 1 meter between stacks; Space shall be at least 0.5 meter between stacks and the wall; Space shall be at least 0.3 meter between stacks and beams or posts. The width of main passages shall be at least 2 meters.

根据《仓库防火安全管理规则》第18条：库存物品应当分类、分类储存，每垛占地面积不宜大于100平方米，垛与垛间距不小于1米，垛与墙间距不小于0.5米，垛与梁、柱的间距不小于0.3米，主要通道的宽度不小于2米。

### Evidence



[NC photo - no distance between stacks and walls.JPG](#)



\* PDF generated at 07:44 (UTC) on 16 Jan 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 Yes, qualified safety officer
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	No
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	Yes  Employees in the production workshops were contacted with hazardous chemical (e.g., detergent, ethyl alcohol, 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?	Workers organise their own transport
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable  The factory construction was got the permits. There were not any structural additions.
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



## 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



## Management systems

### Explanation for management systems grades

The Prohibition of Using Child Labor policy is clear, complete and accurate about child labor and young worker, the nature of work, location, working conditions including working time, living conditions and costs (where relevant), employment terms, wages and benefits, identity of the employer, and any immigration requirements, and that terms do not change to workers' disadvantage during recruitment, which was compliance with all of the Workplace Requirements in the Base Code Area. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for child labor. General Manager was named within the child labor policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

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

**Current system:**

1. The factory establishes a policy that never employ and use any child labour under the age of 16 years old.
2. The factory will verify all workers' original ID cards at the time of recruitment and keep the photocopies of workers' ID cards in the personnel files.
3. Enough employees' personal files were provided for review.
4. Each employee file includes a biodata sheet, a recent photo and the copy of ID card.
5. The young employees between 16 to 18 years old would be registered to the local Labour Department.
6. Remedial measure for child labor had been established, once child labor is detected and strict actions will be taken to remedy the situation in accordance with the procedures and applicable laws.

**Details:**

1. Document review:
  - Personnel files of all workers
  - Latest list of employees
  - The copy of ID Card
  - Hire policy
  - Child labor remediation procedure
2. Management interview
3. Worker interview

4. Child labour shall not be used

# Data points

Percentage of workers that are age 24 or younger	0%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	26
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

## 5. Legal wages are paid

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Robust Management Systems

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Fundamental Improvements Required

Explanation for management systems grades

The policy for Employee's wage and benefit was sound. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for Employee's wage and benefit. General Manager was named within the wage and benefit policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department and Financial department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.

The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Nonetheless, non-compliance in terms of social insurance benefit has been detected. It is recommended that enhancements be made to fortify the management system and augment its overall efficacy.

[← Code area 4](#)

[Code area 5.A →](#)

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC [REDACTED]

Systems and evidence examined to validate this code section

Current system:

- 1. All sampled employees were paid at least RMB13.8 per hour in the tested sample months, which was above the local minimum wage of RMB1960 per month or RMB11.26 per hour since April 1, 2022, and RMB2195 per month or RMB12.61 per hour since April 1, 2025.
- 2. According to provided payroll and attendance records that all sampled employees were compensated 150% of normal wages for overtime on weekdays and 200% of normal wages for overtime on rest days, which was compliance with legal requirement. No overtime on statutory holidays was noted.
- 3. According to the social insurance payment receipt provided by factory management, it was noted that only 8 out of 46 employees were provided with pension, unemployment, accident, medical and maternity insurance in December 2025.
- 4. Factory management had provided the commercial group accident insurance for all employees, valid date from December 10, 2025 to December 9, 2026.

Details:

- 1. Document review:
  - Local and national laws
  - Wages and benefits policy
  - Local legal minimum wage documents
  - Payroll records
  - Leave records
  - Social insurance and payment receipts from the local labour department
  - Resignation records
  - Hours records to check hourly rates and any overtime premiums
- 2. Worker interview
- 3. Management interview

# Findings: non-compliances

		Non-compliance	Due 2024-03-22
Code area		Status	
5 Legal wages are paid		Open*	
Workplace requirement		Time given to resolve	
5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.		60 days	
Issue title		Verification method	
423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic		Follow up audit	
Description		Area of non-compliance/non-conformance	
Periodic Audit on January 7&8, 2026: It was noted that the factory's social insurance coverage was insufficient. According to the social insurance payment receipt provided by factory management, it was noted that only 8 out of 46 employees were provided with pension, unemployment, accident, medical and maternity insurance in December 2025. Remark: Factory management had provided the commercial group accident insurance for all employees, valid date from December 10, 2025 to December 9, 2026. 审核员发现工厂的社会保险覆盖不足。根据厂方提供的2025年12月社会保险缴费单据显示工厂仅为8/46名员工提供了养老, 失业, 工伤, 医疗和生育保险。 备注: 工厂为所有员工提供了商业意外伤害保险, 有效期从2025年 12月 10日到2026年 12月 9日。		Local law	
Description (carried over)			
English: According to the social insurance payment receipt provided by factory management, it was noted that only 7 out of 46 employees were provided with pension, unemployment, accident, medical and maternity insurance in December 2024. And the factory provided commercial injury insurance for 46 employees with a valid period from December 18, 2024 to December 17, 2025. Local language: 审核员发现工厂的社会保险覆盖不足。根据厂方提供的2024年12月的社会保险缴费单据显示工厂仅为7/46名员工提供了养老、失业、工伤、医疗和生育保险。工厂还为所有员工提供了周期为2024年12月18日至2025年12月17日的商业保险。			
Corrective and preventative actions			
It is recommended that factory management adopt practices and controls to ensure that employees receive all of their statutory welfare entitlements. 建议工厂为员工提供所有法定的社会保险福利。			

Corrective and preventative actions (carried over)

English: It is recommended that factory management adopt practices and controls to ensure that employees receive all of their statutory welfare entitlements.  
Local language: 建议工厂为员工提供所有法定的社会保险福利。


Local law reference

In accordance with Article 73 of the Labor Law of the People’s Republic of China, employees shall, in accordance with the law, be entitled to social insurance benefits under the following circumstances: (1) retirements; (2) illness or injury; (3) disability caused by work-related injury or occupational disease; (4) unemployment; and (5) maternity. The survivors of the insured laborers shall be entitled to subsidies for survivors in accordance with the law. The conditions and standards for laborers to enjoy social insurance benefits shall be stipulated by laws, rules and regulations. The social insurance amount that laborers and entitled to, must be timely paid in full amount. 根据《中华人民共和国劳动法》第73条：劳动者在下列情形下，依法享受社会保险待遇：(一)退休；(二)患病、负伤；(三)因工伤残或者患职业病；(四)失业；(五)生育。劳动者死亡后，其遗属依法享受遗属津贴。劳动者享受社会保险待遇的条件和标准由法律、法规规定。劳动者享受的社会保险金必须按时足额支付。

Evidence



[NC photo - Payment and Receipt of Social Insurance Premiums in December 2025-2.JPG](#)

[NC photo - Payment and Receipt of Social Insurance Premiums in December 2025-1.JPG](#)

\* PDF generated at 07:44 (UTC) on 16 Jan 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 meet a living wage The legal minimum wage Wages are based on job skills and experience
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Does not use digital payments (give details) Paid by cash
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None

Worker remuneration

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

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



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	Non applicable
Maximum legal overtime hours	Max hours per day	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	Max hours per day	2.0
	Max hours per week	16.0
	Max hours per month	60.0
Minimum legal wage	Min per hour	12.61
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum wage	Actual per hour	13.8
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Minimum legal overtime wage	Min per hour	18.9
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	Actual per hour	20.7
	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 January 2025, 10 samples from July 2025, and 10 samples from November 2025
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% employees are paid above the legal minimum wage
Are there any bonus schemes used?	Yes  Full attendance award

[← Code area 5](#)

[Code area 5.A →](#)

Were accurate records shown at the first request? Yes

Were any inconsistencies found? No

# 5.A. Living wages are paid

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ol style="list-style-type: none"> <li>1. A living wage calculate method has been completed and elements were completed.</li> <li>2. The site has completed a living wage gap analysis and followed the ILO's 10 principles.</li> <li>3. All sampled employees' wage were paid above the living wage, no living wage improvement plan was needed.</li> </ol> <p>Details:</p> <ol style="list-style-type: none"> <li>1. Document review: <ul style="list-style-type: none"> <li>Wages and benefits policy</li> <li>Living wage calculate method procedure</li> <li>Employee satisfaction survey report</li> </ul> </li> <li>2. Worker interview</li> <li>3. Management interview</li> </ol>		

## 6. Working hours are not excessive

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required
Explanation for management systems grades	<p>The policy for Employee's working hour control and arrangement was sound. There is a clear procedure for updating documentation according to changing requirements or situations.</p> <p>There is clear management responsibility for working hour control. General Manager was named within the working hour control policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.</p> <p>Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.</p> <p>The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits and takes proactive measures in response to non-compliances. Nonetheless, non-compliance in terms of monthly overtime hours has been detected. It is recommended that enhancements be made to fortify the management system and augment its overall efficacy. Most factories are unable to ensure that the workers' monthly overtime hours are kept within 36 hours.</p>

[← 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	NC [REDACTED]
Systems and evidence examined to validate this code section	<p>Current system:</p> <ol style="list-style-type: none"> <li>The auditor reviewed the attendance records of sampled employees (10 samples from January 2025, 10 samples from July 2025, and 10 samples from the most recent paid month November 2025). It was noted that the maximum overtime working hours for all 30 sample employees were 2 hours on the normal day, 16 hours per week and 60 hours per month. Further, the maximum consecutive days for sample employees were 6 days in a week.</li> <li>All employees in production workshops ran one shift that was 8:00-12:00;14:00-18:00. Wages of production employees were paid based on hourly rate. The wages were issued on or before the 30th of next month by cash. No obvious peak season in the factory.</li> <li>Through employees' interview, overtime was voluntary.</li> </ol> <p>Details:</p> <ol style="list-style-type: none"> <li>Document review: <ul style="list-style-type: none"> <li>Local and national laws</li> <li>Factory policy on working hours</li> <li>Timecards</li> <li>Sample pay slips with recorded hours all workers interviewed</li> <li>Workers' contracts</li> <li>Quality and production records to cross check hours</li> </ul> </li> <li>Employee interview</li> <li>Management interview</li> </ol>		

# Findings: non-compliances



Non-compliance

Due 2024-03-22

<b>Code area</b>	<b>Status</b>
6 Working hours are not excessive	Open*
<b>Workplace requirement</b>	<b>Time given to resolve</b>
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.	60 days
<b>Issue title</b>	<b>Verification method</b>
480 - Overtime is not used responsibly (i.e. extent, frequency and level of hours worked by individual workers and/or whole workforce are excessive)	Follow up audit
<b>Description</b>	<b>Area of non-compliance/non-conformance</b>
Periodic Audit on January 7&8, 2026: It was noted that 30 out of 30 sample population employees worked in excess of the statutory overtime hour limits. A review of 30 sample population employees' time records (10 samples from January 2025, 10 samples from July 2025, and 10 samples from the most recent paid month November 2025) yielded the following: <ul style="list-style-type: none"><li>•10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e., 46 hours) in January 2025, which was not in compliance with the legal requirement;</li><li>•10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e., 60 hours) in July 2025, which was not in compliance with the legal requirement;</li><li>•10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e., 54 hours) in November 2025, which was not in compliance with the legal requirement.</li></ul> 根据厂方提供的工时记录，审核员发现员工加班时间超出了法定标准。 审核员从厂方提供的工时记录中抽取30个样本(其中从2025年1月抽取10个，从2025年7月抽取10个，从最近月份2025年11月抽取10个)，发现共有30名员工加班时间超出了法定标准，具体为： <ul style="list-style-type: none"><li>• 10/10名员工在2025年1月的加班时间为46小时，超过每月加班时间不能超过36小时的法律规定；</li><li>• 10/10名员工在2025年7月的加班时间为60小时，超过每月加班时间不能超过36小时的法律规定；</li><li>• 10/10名员工在2025年11月的加班时间为54小时，超过每月加班时间不能超过36小时的法律规定。</li></ul>	Local law

**Description (carried over)**

English: It was noted that 20 out of 30 sample population employees worked in excess of the statutory overtime hour limits. A review of 30 sample population employees' time records (10 samples from February 2024, 10 samples from June 2024, and 10 samples from the most recent paid month November 2024) yielded the following: • 10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e., 66 hours) in June 2024, which was not in compliance with the legal requirement; • 10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e., 66 hours) in November 2024, which was not in compliance with the legal requirement.

Local language: 根据厂方提供的工时记录，审核员发现员工加班时间超出了法定标准。审核员从厂方提供的工时记录中抽取30个样本(其中从2024年2月抽取10个，从2024年6月抽取10个，从最近月份2024年11月抽取10个)，发现共有20名员工加班时间超出了法定标准，具体为：10/10名员工在2024年6月的加班时间为66小时，超过每月加班时间不能超过36小时的法律规定；10/10名员工在2024年11月的加班时间为66小时，超过每月加班时间不能超过36小时的法律规定。

**Corrective and preventative actions**

It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.

建议工厂确保员工的加班时间符合法律要求。

**Corrective and preventative actions (carried over)**

English: It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.

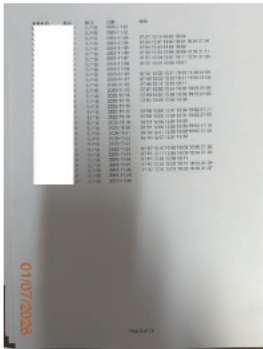
Local language: 建议工厂确保员工的加班时间符合法律要求。

**Local law reference**

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

**Evidence**





NC photo - worked in  
excess of 36 overtime  
hours in sample month.JPG



\* PDF generated at 07:44 (UTC) on 16 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

## 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?	<p>The site pays an overtime premium of more than 125%. The facility was following below legal requirement, pay employees remuneration higher than those for statutory working hours under any of the following circumstances.</p> <p>(1) To pay no less than 150% of the wages when extended working hours are assigned to employees;</p> <p>(2) To pay no less than 200% of the wages when employees are assigned to work on rest days and no deferred rest can be taken;</p> <p>(3) To pay no less than 300% of the wages when employees are assigned to work on statutory holidays.</p>
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?	48.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	56.0
Maximum number of days worked without a day off in sample	6

[← Code area 6](#)
[Code area 7 →](#)

## 7. No discrimination is practiced

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The policy for justice, equity, and non-discrimination was sound. There is a clear procedure for updating documentation according to changing requirements or situations.</p> <p>There is clear management responsibility for non-discrimination and discipline. General Manager was named within the non-discrimination and discipline policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department and EHS committee responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.</p> <p>Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.</p> <p>The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.</p>

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

## Systems and evidence examined to validate this code section

### Current system:

1. According to document review, workers interview and factory tour, there is equity in hiring, compensation, access to training, promotion, race, caste, national origin, religion, age, disability, gender, material status, sexual orientation, or political affiliation.
2. No worker was required to do the examination of the hepatitis B virus and HIV.
3. Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work.
4. There was an internal grievance process, and all of the interviewees were aware of the grievance channels in case they encountered any discrimination cases.
5. The factory had a dedicated equity approach in recruitment, training, development, and promotion process. The employees didn't report any unfair cases.
6. The factory had a written policy and procedures in gender equity.
7. The factory provided non- discrimination and equity training about recruitment, training, development, and promotion process to employees regularly.
8. The facility has implemented equity-based practices to ensure that vulnerable workers are not only treated equally but are also provided with the support necessary to perform their roles safely and comfortably. For pregnant workers and nursing mothers, the facility reassigns tasks when necessary to reduce physical strain and ensure safety. Additionally, pregnant workers receive additional rest breaks during the workday.

### Details:

1. Document review:
  - The hiring and termination procedure, leave application records and employee handbook.
  - Payroll records
  - Attendance records
  - Termination records
  - Training records
2. Management interview
3. Employee interview

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)?	12%
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)	7%
Three most common nationalities in managerial and supervisory roles	Chinese

## 8. Regular employment is provided

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Robust Management Systems

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

The code of employment was sound. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for the code of employment. General Manager was named within the code of employment policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ol style="list-style-type: none"> <li>1. All permanent workers (local and migrant) were recruited by the factory directly.</li> <li>2. Work performed is based on recognized employment relationship established through national law and practice.</li> <li>3. The factory signs labor contracts with employees within 30 days after employment.</li> <li>4. There is no agency and contactor used by the site.</li> <li>5. All workers had the proper legal rights to work in this region.</li> <li>6. Factory established the procedure for screening through checking the original identification certificates and other background information to ensure that employees without legal right to work were not recruited.</li> </ol> <p>Details:</p> <ol style="list-style-type: none"> <li>1. Document review: <ul style="list-style-type: none"> <li>- The hiring and termination practices</li> <li>- Personal files</li> <li>- Payroll records</li> <li>- Contracts</li> </ul> </li> <li>2. Worker interview</li> <li>3. Management interview</li> </ol>		



8. Regular employment is provided

Data points

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

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

## Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The policy for contractor and homeworker control was sound. There is a clear procedure for updating documentation according to changing requirements or situations.</p> <p>There is clear management responsibility for contractor and homeworker control. General Manager was named within the contractor and homeworker control policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific Purchase and Production department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.</p> <p>Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.</p> <p>The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.</p>

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ol style="list-style-type: none"> <li>1. A site tour showed that all production processes were present in the unit.</li> <li>2. According to the management and employees' interview, no home worker and subcontractor was used in factory.</li> <li>3. The facility had established the sub-contracting and homeworkers control policy to avoid the unauthorized subcontracting and homeworker issue.</li> </ol> <p>Details:</p> <ol style="list-style-type: none"> <li>1. Document Review: <ul style="list-style-type: none"> <li>- Supplier policy</li> <li>- production records</li> <li>- materials in/out records</li> </ul> </li> <li>2. Factory Tour</li> <li>3. Management interview</li> <li>4. Worker interview</li> </ol>		

## 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 homemaker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers? No

There was mechanism in place for monitoring the subcontract units for agreement with laws or the code, no homeworkers was noted in the suppliers.

### Sub-contracting

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

As per the workers' capacity and production records, no concerns about unrecorded work or undeclared sub-contracting on site.

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used?                      No

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## 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
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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
---	---------------------------

## Management systems

### Explanation for management systems grades

The policy for system of no harsh and inhumane treatment was sound. There is a clear procedure for updating documentation according to changing requirements or situations. The site had assessed the risk of harsh or inhumane treatment, with particular attention to the inclusion of vulnerable demographics in the workforce, such as women workers, migrant workers, third party employed workers.

There is clear management responsibility for system of no harsh and inhumane treatment. General Manager was named within the system of no harsh and inhumane treatment policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR and production department responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year. Training programmes on harsh and inhumane treatment was directly related to the risk assessment and measures identified under WR 9D.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

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

**Current system:**

1. From documents management had established a disciplinary procedure for workers' misbehavior which included oral warning, written warning and finally termination and the facility had developed a training program for all employees on the procedure.
2. Worker interview confirmed that workers were aware of the disciplinary procedure.
3. There was an internal process for grievance, which was an anonymous hotline, where workers could report any grievances (harassment, bullying, discrimination etc.); any received complaint would be handled by management, without any reprisal for the worker in question.

**Details:**

1. Document review:
  - The relevant policy on prevention of harassment and abuse Internal grievance procedure documentation.
  - Training records
2. Worker interview
3. Management interview



9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	<p>Yes, there is a formal grievance process</p> <p>The grievance process is available to all workers</p>
What type of grievance mechanism(s) are available?	<p>According to employees' interview, they represented that the factory had set suggestion box and provided hot line for them to reporting any violations of labour standards and H&amp;S.</p>
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

## 10.A. Environment 2-Pillar

### Management systems

**Develop and maintain relevant policies and procedures to ensure workplace requirements are met**

Robust Management Systems

**Appoint a manager with sufficient seniority who is responsible for implementing procedures**

Robust Management Systems

**Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures**

Robust Management Systems

**Monitor the effectiveness of procedures to meet policy and workplace requirements**

Robust Management Systems

**Explanation for management systems grades**

The policy for environment protection was sound. There is a clear procedure for updating documentation according to changing requirements or situations.

There is clear management responsibility for environment protection. General Manager was named within the environment protection policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department, EHS committee, and General Manager responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.

Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.

The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.

[← Code area 9](#)

[Code area 10.B →](#)

# Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ol style="list-style-type: none"> <li>1. All of the legally required environmental certificates were available and valid during this audit.</li> <li>2. The annual monitoring reports for air emission, wastewater and boundary noise were provided for review, and the results were within the restriction per environmental law.</li> <li>3. Based on worker's interview, they were trained on environmental protection.</li> </ol> <p>Details:</p> <ol style="list-style-type: none"> <li>1. Document review: <ul style="list-style-type: none"> <li>- Environmental policy</li> <li>- Energy bills</li> <li>- Water bill</li> <li>- Worker and management interview</li> </ul> </li> <li>2. Site tour</li> <li>3. Employee interview</li> <li>4. Management interview</li> </ol>		

## 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?

All legal required environmental documents and certificates were checked.

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	<p>Current system:</p> <ul style="list-style-type: none"> <li>• The annual monitoring reports for air emission, wastewater and boundary noise were provided for review, and the results were within the restriction per environmental law.</li> <li>• Based on observation on site, wastes were classified and collected on site.</li> <li>• The factory had set up a procedure and policy to meet the client's requirement that regarding the environmental and chemical issues.</li> <li>• Per document review, facility had reduction targets in place for environmental aspects e.g., water consumption and discharge, waste, energy and green-house gas emissions.</li> </ul> <p>Details:</p> <ol style="list-style-type: none"> <li>1. Document review: <ul style="list-style-type: none"> <li>- Environmental policy</li> <li>- Energy bills</li> <li>- Water bill</li> <li>- Worker and management interview</li> </ul> </li> <li>2. Site tour</li> <li>3. Employee interview</li> <li>4. Management interview</li> </ol>		

[← 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?	Biodiversity and eco system impact management Circular economy and resource efficiency Sustainable material sourcing Responsible use and management of water Prioritising local suppliers Switching to renewable energy sources Zero-waste and recycling protocols
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes  Mr. [REDACTED] / Factory Director was appointed to be responsible for communicating, deploying, and monitoring the environment practices elaborated upon in the environmental management system.
Does the site have reduction targets in place to manage climate related risks?	Yes, to increase low-carbon energy consumption or production
Are any of these science-based targets?	No, but we anticipate setting one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes  The reduction target was included in the Environmental policy. Water consumption and discharge: the site has set the reduction target by 10% in 3 years (2024-2026). Reuse of reclaimed water system will be installed this year to save the water consumption and discharge. Energy: the site has set the reduction target by 20% in 3 years (2024-2026).

[← Code area 10.B](#)

[Code area 10.C →](#)

Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<p>Yes</p> <p>The facility had checked the business partners operating on the premises had the appropriate permits and license and were conducting business in line with environmental expectation of the facility.</p>
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### Usage/discharge analysis

	Last full calendar year (2025)	Previous full calendar year (2024)
Total electricity consumption from non-renewable sources (kWh)	278,617	285,793
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	Data not available	Data not available
Has the site completed any carbon footprint analysis?	No	No
Water sources	Municipal Water	Municipal Water
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	1,917	1,900

Water discharged

- living wastewater was pretreatment by septic tank than flow into municipal wastewater treatment
- living wastewater was pretreatment by septic tank than flow into municipal wastewater treatment

Water volume discharged (m3)	1,629	1,615
Water volume recycled (m3)	0	0
Total waste produced (mt)	35.4	38
Total hazardous waste produced (mt)	0	0
Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	0
Waste to other (mt)	35.4	38
Total product produced (mt)	950	1,000



# 10.C. Business ethics

## Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The policy for business ethical was sound. There is a clear procedure for updating documentation according to changing requirements or situations.</p> <p>There is clear management responsibility for business ethical. General Manager was named within the business ethical policy as ultimately responsible for ensuring its resourcing, approval, and regular review. Specific HR department, Financial department, and General Manager responsible for this Base Code Area requires the necessary skills and has the seniority to manage Workplace Requirements.</p> <p>Effective training and communication of policy and procedures to all relevant workers, including managers and supervisors twice per year.</p> <p>The organization effectively monitors procedures, taking actions where results require it or changes to policies and processes are made. Monitoring ensures sufficient management of the Workplace Requirements in this Base Code Area on an ongoing basis.</p>

[← Code area 10.B](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> <li>• The Mr. [REDACTED] Factory Director was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery.</li> <li>• The company established a business ethics policy which was communicated to workers through posters and training.</li> <li>• The site had received and read the Business Ethics policy of the auditor/audit company.</li> <li>• There was an internal grievance process, which were anonymous email address and hotlines.</li> </ul> <p>Details:</p> <p>1. Document review:</p> <p>The company business ethics policy including</p> <ul style="list-style-type: none"> <li>• Bribery</li> <li>• Corruption Training records Worker handbook</li> <li>• Reports from Anonymous email account</li> </ul> <p>2. Worker and management interview</p>		

[← 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	<p>No certified anti-bribery Management Systems for the site.</p> <p>Factory has Business Ethical Policy, covering bribery, corruption, or any other type of fraudulent Business Practice applied to internal and their suppliers.</p> <p>Mr. [REDACTED] / Factory Director was assigned to responsible for Business Ethics and responsible for training related employees.</p> <p>Factory business ethics policy was updated by annual inspection.</p>

[← Code area 10.C](#)

## Attachments



[1-factory name.JPG](#)



[2-factory gate.JPG](#)



[3-factory doorplate.JPG](#)



[4-factory building.JPG](#)



[5-raw materials warehouse.JPG](#)



[6-cutting workshop.JPG](#)



[7-sewing workshop.JPG](#)



[8-packing workshop.JPG](#)



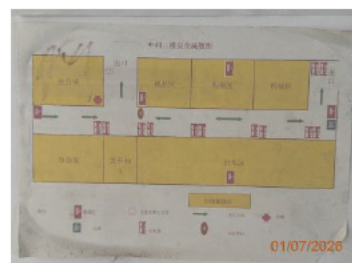
[9-finished goods warehouse.JPG](#)



[10-safety exit sign & emergency light.JPG](#)



[11-evacuation sign.JPG](#)



[12-escape and evacuation plan.JPG](#)



[13-fire extinguishers.JPG](#)



[14-fire hydrant.JPG](#)



[15-fire alarm.JPG](#)



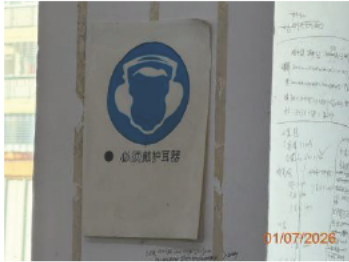
[16-fire alarm button.JPG](#)



[17-back-up power.JPG](#)



[18-no smoking sign.JPG](#)



[19-PPE warning sign.JPG](#)



[20-ETI code of conduct.JPG](#)



[21-first aid kit.JPG](#)



[22-drinkable water.JPG](#)



[23-onsite toilet.JPG](#)



[24-suggestion box.JPG](#)



[25-time record facility.JPG](#)

