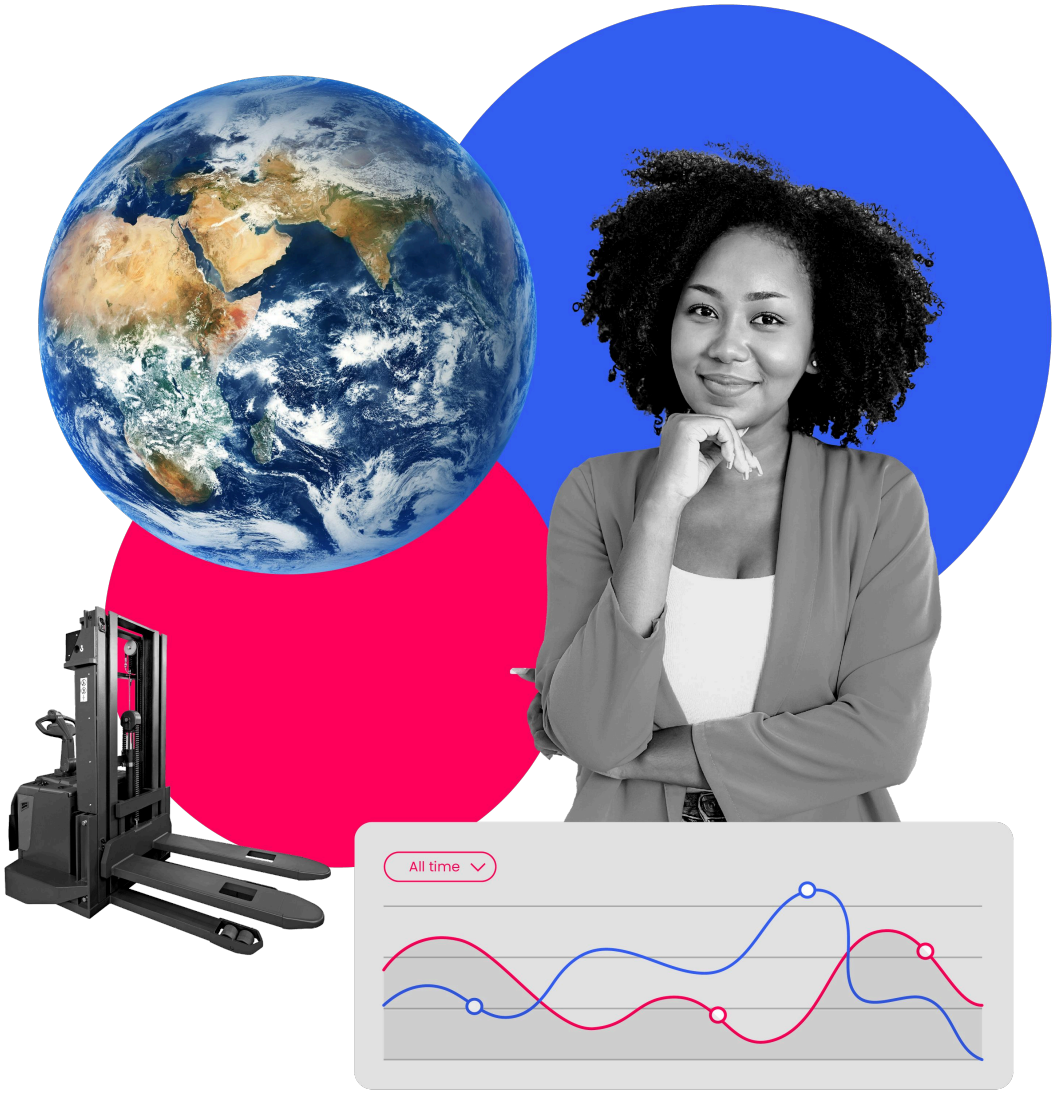
SMETA
powered by Sedex

Sedex Members Ethical Trade Audit Report

Version 7



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

Contents

Audit content

Audit details

SMETA declaration

Summary of findings

Management systems

Site details and data points

- Site details
- Worker analysis
- Worker interviews
- Measure workplace impact
- 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
- 3. Working conditions are safe and hygienic
- 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

10.A. Environment 2-Pillar

10.B. Environment 4-Pillar

10.C. Business ethics

Attachments

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

← Contents

Findings →

Audit details

Site details

Sedex site reference	ZS1043297	**Site name**	Dexing Shengshi Industrial Trade Co Ltd
Business name	Dexing Shengshi Industrial Trade Co Ltd	**Site address**	Jianshe Road 1, Yinlu Industrial Zone 银鹿工业园区建设路一号 Dexing CN 334200

Audit details

Sedex company reference	ZC1026152	**Auditor company name**	SGS-China
Audit company address	No. 430, Jihua Road, Bantian, Longgang District, Shenzhen, CN, 518129		
Date of audit	2026-05-28	**Audit conducted by**	Colin Yang
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out	Day 1		Day 2	
	In	08:40	In	08:30
	Out	17:00	Out	12:30

Audit type	Periodic
Was the audit announced?	Announced

← Contents

Findings →

Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Shu Chuanfeng / 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	There was no union in the factory.		
Reason for absence during the audit	There was no union in the factory.		
Reason for absence at the closing meeting	There was no union in the factory.		

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	1. The audited factory leased the basement, 3rd and 4th floors of a five-storey building (four floors above ground and one basement) to Dexing Jiedeng Footwear Co., Ltd. The relevant lease agreement and business license were provided for review during the audit. The scope of this audit only includes the usage area of the audited factory. 被审核工厂将一栋地上四层、地下一层的办公楼，其负一层、三层及四层出租给德兴市捷登鞋业有限公司。审核期间提供了租赁协议和营业执照供查看。此次审核范围仅包含被审核工厂的使用区域。 2. The registered address stated on the business license of the audited factory was Yinlu Industrial Zone, Dexing City, Jiangxi Province, while the address recorded in the system was Jianshe Road 1, Yinlu Industrial Zone, Dexing City. The two referred to the same location, and the address in the system was more precise. 被审核工厂营业执照注册地址为江西省德兴市银鹿工业园区，系统登记地址为德兴市银鹿工业园区建设路一号。两处地址实际为同一地点，系统内地址表述更为精准。

← Contents

Findings →

Auditor team

Lead auditor	Colin Yang	**APSCA Number**	32400233
Additional auditor			
Date of declaration	2026-05-29		

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	Shu Chuanfeng
Title	Factory Director
Date of declaration	2026-05-29

← Contents

Findings →

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 Base code	NC ZAF601448498
	3.M Ensure all machinery is installed, mainta...	Local law Base code	NC ZAF601448499
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601448497
	3.O Implement an appropriate electrical safet...	Local law	NC ZAF601448494
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC ZAF601448495
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601448496

← Contents

Management systems →

Management systems

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

✕ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

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

✕ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

Site details

Company and site details

Sedex company reference	ZC1026152	
Sedex site reference	ZS1043297	
Company name	Dexing Shengshi Industrial Trade Co Ltd	
Business ownership type	GOODS	
Site name	Dexing Shengshi Industrial Trade Co Ltd	
Site name in local language	德兴市盛仕工贸有限公司	
GPS location	**GPS address**	Jianshe Road 1, Yinlu Industrial Zone, Dexing City, Jiangxi Province
	Coordinates	Latitude: N 28°57'18" Longitude: E 117°36'25"
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Shu Chuanfeng
	Job title	Factory Director
	Phone number	0793-7812577
	Email	elva@dxsschina.cn
Applicable business and other legally required business license numbers and documents	Business license number: 91361181573604426X, valid date was from Apr. 20, 2011 to Apr. 14, 2031.	

← Management systems

Worker analysis →

Site activities

Site function	Factory Processing/Manufacturer	
Site activities	**Primary**	Other manufacturing n.e.c.
	Secondary	
	Other	
Product type	Cooler box, Tool box, Textile	
Process overview	The product manufactured in this factory were Cooler box, Tool box and Textile. The main production processes were Metalworking, Phosphating, Powder Coating, Sewing, Assembly and Packaging. There was 1 production line. The main production equipment were 1 cutting machine, 5 welding machines, 18 stamping machines, 4 bending machines, 1 powder coating line and so on.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	No The audited factory comprised a total of five buildings: one 5-storey comprehensive building (Building 1), two 3-storey production buildings (Building 2 and Building 3), two 1-storey production building (Building 4 and Building 5). The factory leased out the the basement, 3rd and 4th floors of Building 1 to Dexing Jiedeng Footwear Co., Ltd for use as production workshops, warehouses, offices.

← Site details

Worker analysis →

Site scope

Building 1	**Last construction works on site**	2013
	If building is shared, provide details	The basement, 3rd and 4th floors were used by Dexing Jiedeng Footwear Co., Ltd.
	Number of floors	5
	Description of floor activities	-1F: Used by Dexing Jiedeng Footwear Co., Ltd. as workshop and warehouse 1-2F: Office 3-4F: Used by Dexing Jiedeng Footwear Co., Ltd. as office
Building 2	**Last construction works on site**	2013
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	1F: Metalworking workshop 2-3F: Warehouse
Building 3	**Last construction works on site**	2013
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	1F: Metalworking workshop 2F: Sewing workshop 3F: Warhouse
Building 4	**Last construction works on site**	2016
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	1F: Assembly and packaging workshop, finished product warhouse

← Site details

Worker analysis →

Site scope

Building 5	**Last construction works on site**	2016
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	1F: Phosphating and Powder coating workshop
Is there any difference between the site scope of the audit and the Sedex site profile?	No	
Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site?	No	
Is any activity conducted onsite not included within the scope of the audit?	No	

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No
Does the site organise worker transport to the worksite?	Not applicable The workplace of the factory was all in one place, and the workers lived near the factory, and there was no legal requirement for the factory to provide transport for workers, so no transport was provided.

← Site details

Worker analysis →

Work patterns

Approximate workers on site per month (% of peak)	**January**	90-100%	**February**	90-100%
	March	90-100%	**April**	90-100%
	May	90-100%	**June**	90-100%
	July	90-100%	**August**	90-100%
	September	90-100%	**October**	90-100%
	November	90-100%	**December**	90-100%

Is there any night shift work at the site?	No

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	No
Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	No The factory did not assess for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No No HRIA was conducted within the last three years at this site.

← Site details

Worker analysis →

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	16 *(61.5%)*	10 *(38.5%)*	- -	26 *(100%)*

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	16 *(61.5%)*	10 *(38.5%)*	- -	26 *(100%)*
Temporary or fixed term employees	0 -	0 -	- -	0 *(0%)*
Agency or subcontracted workers	0 -	0 -	- -	0 *(0%)*
Seasonal workers	0 -	0 -	- -	0 *(0%)*
Self-employed workers	0 -	0 -	- -	0 *(0%)*
Informal workers including home workers	0 -	0 -	- -	0 *(0%)*
Apprentices, trainees or interns	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Site details

Worker interviews →

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	0 -	0 -	- -	0 *(0%)*
International migrant workers	0 -	0 -	- -	0 *(0%)*
Total migrant workers	0 -	0 -	- -	0 *(0%)*

* % of total workforce

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

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

← Worker analysis

Worker interviews →

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

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	62%	38%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 -	0 -	- -	0 *(0%)*
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 *(0%)*
Workers paid hourly / daily rate	0 -	0 -	- -	0 *(0%)*
Salaried workers	16 *(61.5%)*	10 *(38.5%)*	- -	26 *(100%)*

* % of total workforce

← Worker analysis

Worker interviews →

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 *(0%)*
Paid weekly	0 -	0 -	- -	0 *(0%)*
Paid monthly	16 *(61.5%)*	10 *(38.5%)*	- -	26 *(100%)*
Other	0 -	0 -	- -	0 *(0%)*

* % of total workforce

If other payment cycle entered, please provide details	NA

People in managerial, supervisorial and administrative roles

	Men	Women	Other	Total
Employees in management positions	5 *(83.3%)*	1 *(16.7%)*	- -	6
Supervisors or team leaders	0 -	0 -	- -	0
Administrative staff	1 *(33.3%)*	2 *(66.7%)*	- -	3

← 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 workers
Did workers understand the purpose of the audit?	Yes
Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers?	Yes

← Worker analysis

Measuring workplace impact →

Was there any indication that workers had been 'coached' in how they should respond to questions?	No
What was the general attitude of the workers towards their workplace?	Favorable

Attitude of workers

In which areas did workers raise significant concerns or complaints?	Other (provide details) Workers did not raise any significant concerns or complaints.
What did the workers like the most about working at this site?	Facilities (e.g. rest area, recreation, canteen) Freedom of movement Hours worked, rest days or breaks Work atmosphere (e.g. treatment by supervisors) Work environment – comfort (e.g. temperature, noise or dust levels)
Additional comments	Most workers enjoyed working at this factory, they felt they had sufficient work and had a good relationship with management in general.
Attitude of workers' committee/union representatives	Interviewed with the worker representative, she said factory management were very care about workers and pay more attention to deal with workers' suggestion and complain. The worker representative showed that the management was kind and the workplace was comfortable. No negative information was identified.
Attitude of managers	The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they had implemented a Health & Safety committee to take care of health and safety concerns. The factory agreed that the auditor accesses to all facilities, and all requested documents and records were provided in a timely manner. The factory agreed that the auditor took photos and copy relevant documents and records in the factory. The factory agreed that the auditor conducted confidential interviews with workers who were chosen freely without any influence by the factory.

← Worker analysis

Measuring workplace impact →

Workers interviewed by type

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

Workers interviewed by group/individual

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

← Worker analysis

Measuring workplace impact →

Migrant workers interviewed

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

← Worker interviews

Measuring workplace impact →

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.5%	1.5%	-	3.0%
Last full calendar year (2025)	2.0%	2.0%	-	4.0%
Previous full calendar year (2024)	3.0%	3.0%	-	6.0%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2025)	1.0%	1.0%	-	2.0%
Previous full calendar year (2024)	3.0%	2.0%	-	5.0%

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

Are accidents recorded?	Yes Factory kept and provided the accidents records for review. No serious injury accident happened in the last 12 months.

← Worker interviews

Code area 0 →

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

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

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

Lost day work cases (per 100 workers)*

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

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

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

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

← Worker interviews

Code area 0 →

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

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

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

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

← Measuring workplace impact

Code area 0 →

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current system: 1. The factory agreed that the auditor accesses to all facilities, and all requested documents and records were provided in a timely manner. The factory agreed that the auditor took photos and copy relevant documents or records in the factory. The factory agreed that the auditor conducted confidential interviews with workers who were chosen freely without any influence by the factory. 2. No integrity case occurred during the audit. 3. The factory provided an accurate site description and Sedex site profile declared during the audit. 4. The factory maintained a written human rights policy statement that was approvedat the most senior level, communicated to all personnel, and trained to relevant personnel. Evidence examined: 1. Management interview 2. Workers' interview 3. Social responsibility policy and procedure file

← Measuring workplace impact

Code area 1 →

0. Enabling accurate assessment

Data points

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

← Code area 0

Code area 1 →

1. Employment is freely chosen

Management systems

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

← Code area 0

Code area 1.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The factory has declared an Anti-Force Labor procedure and policy supported at the highest level that includes the commitment to improve performance on employment; and guarantee the no force labor in the whole employment. The policy is reviewed annually by the HR manager and signed by the General Manager, and controlled by the HR and Admin management system procedure. 2) Resources: Grade: Robust Based on the established Anti-Force Labor procedure, the General Manager, leading the Admin & HR management team, has been appointed to oversee the Anti-Force Policy. The HR and Admin clerks are responsible for implement the Anti-force labor management. The individuals have sufficient authority to ensure that procedures are carried out the work. The Admin & HR Manager arranged an internal meeting once per quarter with the presence of the HR and Admin Clerks of each department to address concerns and provide updates. 3) Communication & Training: Grade: Robust The Anti-Force Policy and procedure is communicated to workers annually. The Anti-force labor training covers free employment, voluntary overtime, free movement in the workplace, no human trafficking, debt bondage/ bonded labour, no threats, penalties, coercion, physical force, violence, or harsh or inhumane treatment, etc. The interviewees were aware of the training top and content. 4) Monitoring: Grade: Some Improvement Recommended Based on written procedure, internal audits, monitoring of key performance indicators, internal social compliance assessment are carried out annually, the facility had monitored all requirements within their organization. However, based on the provided document, the facility did not fully inspect the suppliers' performance regarding the anti-forced labor; the facility only maintained a questionnaire regarding the anti forced labor in the supplier inspection report. No further investigation was made.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 0

Code area 1.A →

Systems and evidence examined to validate this code section	Current system: 1. The factory had a policy which prohibited forced labour and workers could freely resign after communication with management in advance 30 days' notification. 2. There was an application procedure which stated that workers should present their ID for proof of age but only copies should be kept in the personnel files, and the original ID card should be given back to the workers. 3. The terms and conditions of employment in the handbook stated that the workers were free to leave the workplace outside of their working hours. 4. The workers did not require to lodge deposits or their Identity papers to the factory at the beginning of employment. 5. No forced, bonded or involuntary prison labour was identified during the audit. Evidence examined: 1. Personnel files 2. Resignation records 3. Factory rules 4. Worker handbook 5. Management and workers' interview

← Code area 0

Code area 1.A →

1. Employment is freely chosen

Data points

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

← Code area 1

Code area 1.A →

1.A. Responsible recruitment and entitlement to work

Management systems

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

← Code area 1

Code area 2 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The factory has declared a Recruitment and Regular Employment procedure, and policy supported at the highest level that includes the commitment to improve performance on employment; and guarantee the no force labor in the whole employment. The policy is reviewed annually by the Admin & HR manager and signed by the General Manager; and controlled by the HR and Admin management system procedure. 2) Resources: Grade: Robust Based on the established Recruitment and Regular Employment procedure, the General Manager, leading the Admin & HR management team, has been appointed to oversee the Recruitment and Regular Employment Policy. The HR and Admin Manager is responsible for implement the Recruitment and Regular Employment management. The individual has sufficient authority to ensure that procedures are carried out. The HR and Admin Manager arranged an internal meeting once per quarter with the presence of the HR and Admin Clerks of each department to address concerns and provide updates. 3) Communication & Training: Grade: Robust The Recruitment and Regular Employment Policy and procedure is communicated to workers annually. The training covers labor contract explanation, age document requirement, no child-labor, agency worker requirement, working condition, etc. All the interviewees were aware of the requirement of the recruitment and labor contract. 4) Monitoring: Grade: Some Improvement Recommended Based on written procedure, internal audits, monitoring of key performance indicators, internal social compliance assessment, are carried out annually, the facility had monitored all requirements within their organization. However, based on the provided document, the facility did not fully inspect the suppliers' performance regarding the labor contracts; the facility only maintained a questionnaire regarding the labor contract in the supplier inspection report. No further investigation was made.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 1

Code area 2 →

No findings

Systems and evidence examined to validate this code section	Current system: 1. Based on documents review, management and workers' interview, all workers in the factory were Chinese. 2. The factory had established recruitment procedures and employment procedures and the factory would review the workers' original documents such as ID cards during the recruitment. 3. No foreign worker was used by the factory. 4. The factory collected related laws on entitlement to work and immigration. 5. The factory did not use third-party recruitment agencies, and all workers were recruited by the factory. The relevant expenses incurred by workers during the recruitment process, such as recruitment fees, training fees, file fees, and the factory's required pre-job health examination fees were borne or fully reimbursed by the factory. Evidence examined: 1. Hiring procedure 2. Personnel files and labour contracts 3. Employee handbook 4. Employees' roster 5. Workers' interview and management interview 6. Consignment agreement, business License of all company and certificates 7. The worker's payroll and attendance record

← Code area 1

Code area 2 →

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

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

Migrant workers

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

← Code area 1.A

Code area 2 →

Percentage of workers that are migrant	0%
Do any workers migrate from other states, provinces or regions within the country to work at this site?	No

Recruitment fees

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

← Code area 1.A

Code area 2 →

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

Management systems

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

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The factory has formulated written policies and procedures regarding freedom of association. The policies make reference to the Employees Manual, which outlines the key mechanisms in place for forming of legal worker committee and freely electing worker representatives. Those procedures include provision for worker committee activities, worker representatives' responsibilities, regular worker committee meeting, etc. It regularly undertakes reviews and updates of these policies and posts them on the employees' noticeboard. 2) Resources: Grade: Robust The HR and Admin Manager is responsible for ensuring the implementation of the site policies. The HR and Admin Manager is aware of the basic requirement and knowledge. The individual has sufficient authority to ensure that procedures are carried out. 3) Communication & Training: Grade: Robust The factory had developed an annual training plan, trained employees according to the plan and the training records were provided for review, in addition, they had evaluated the effectiveness of employee training. 4) Monitoring: Grade: Some Improvements Recommended The HR and Admin Manager monitors compliance with the process, and the factory holds a social responsibility internal audit plan on an annual basis; however, there is a lack of evaluation of how well the process is executed, such as in the circumstance, few suggestions were raised by workers.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 1.A

Code area 3 →

Systems and evidence examined to validate this code section	Current system: 1. There was no trade union in the factory, but the factory had one elected worker representative. 2. The workers could rise up their opinion through worker representatives, suggestion box or communicate with their supervisor directly. 3. The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All China Federation of Trade Unions (ACFTU). As a consequence, all trade unions of factories in China are under the management of ACFTU. And most of the trade union representatives are appointed directly by it. Additionally, the trade union activity is limited on the right to organize and bargain collectively in China. Evidence examined: 1. Interview with workers 2. Interview with managers 3. Interview with worker representative 4. Social responsibility policy 5. Meeting records

← Code area 1.A

Code area 3 →

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

Data points

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

← Code area 2

Code area 3 →

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

← Code area 2

Code area 3 →

3. Working conditions are safe and hygienic

Management systems

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

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The company has declared an EHS procedure and policy supported at the highest level that includes the commitment to improve performance on working conditions and workers' health care, especially for the workers working with machine, and an approach to manage Health and safety issues on relevant stakeholders. The policy is reviewed annually by the Health and Safety Committee and signed by the General Manager; and controlled by the EHS management system procedure. 2) Resources: Grade: Robust Based on the established EHS procedure, the General Manager, leading the Health and Safety Committee, has been appointed to oversee the Health and Safety Policy. The Amin Clerk is responsible for implement the EHS management. This individual has sufficient authority to ensure that procedures are carried out, and the EHS management team members have been trained by external agencies. The General Manager arranged an EHS meeting once per quarter with the presence of the Health and Safety Committee and supervisors of each department to address EHS concerns and provide updates. 3) Communication & Training: Grade: Some Improvements Recommended The EHS Policy and procedure is communicated to workers annually. The EHS training covers building safety, fire safety and electrical safety, etc. However, some trainings needed to strengthen the effectiveness evaluation. 4) Monitoring: Grade: Fundamental Improvements Recommended The factory monitored compliance with operational procedures, yet such supervision was insufficiently effective. There was no sound mechanism established to guarantee valid assessment implementation which resulted in the occurrence of issues.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 2

Code area 4 →

3. Working conditions are safe and hygienic	3.M Ensure all machinery is installed, mainta...	Local law Base code	NC	ZAF601448498
	3.M Ensure all machinery is installed, mainta...	Local law Base code	NC	ZAF601448499
	3.N Ensure that all hazardous substances (e.g...	Local law	NC	ZAF601448497
	3.O Implement an appropriate electrical safet...	Local law	NC	ZAF601448494

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section	Current systems: 1. General Health and Safety management- Mr. Shu Chuanfeng/ Factory Director was appointed as Health & Safety Manager for the site. - Potable water was freely available in all areas. - Sufficient toilets segregated by gender were available at all times to workers. - Ventilation, temperature and lighting were adequate for the production processes. 2. Fire Safety - There were at least 2 exits from each work area and these were clearly marked. - Fire-fighting equipment was adequate and checks were up-to-date. - Evacuation diagrams were posted in all areas and understood by all workers interviewed. - Based on management and workers' interview fire drills were organized at least twice a year and records were well kept. 3. Electrical safety - Some electrical boxes in the workshop were either unlocked or not fitted with internal insulating covers. - Electrician obtained qualification permit. -The factory checked electrical safety monthly. 4. Medical services -There were adequate first aid kits with adequate supply, and they were well stocked. -There were sufficient first aid responders with qualification certificate in the factory. 5. Chemicals - All chemicals were stored in secondary containments, but about 40% of chemicals in the factory were not affixed with safety labels, such as phosphating agents for surface treatment. - MSDS was posted onsite. 6. PPE - The factory provided adequate and proper PPEs to workers, all workers in the workshop had worn PPEs as legal requirement. Evidence examined: 1. Health and safety policy 2. Health and safety committee minutes 3. Training records and certificates 4. Fire drill records 5. Trained first aider register 6. Accident records 7. Interviews with H&S manager 8. Interviews with workers and H&S committee members 9. Onsite observation

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601448498

Non-compliance

Due 2024-07-25

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.M Ensure all machinery is installed, maintained, and used in a safe manner.

Issue title

264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)

Description

During the on-site audit, it was found that three flat sewing machines in the workshop were not equipped with finger guards.
现场审核发现，工厂车间内有三台平车未安装护指器。

Description (carried over)

Based on on-site observation, all 3 flat sewing machine were not equipped with finger protectors.
根据现场观察，工厂所有的三台平车未安装护指器。

Intended corrective and preventative actions, based on root cause analysis

The factory should install protective guards for all sewing machines. 工厂应为所有针车安装护指器
。

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

It was recommended that the factory should install protector guards for all sewing machines.建
议工厂应为所有针车安装护具。

Local law reference

General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1 Movable parts 6.1.1 Movable parts accessible to personnel shall be closed or isolated as far as possible. 6.1.2 Necessary safeguard shall be installed for all moving parts that are accessible to the operator during machine operation

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

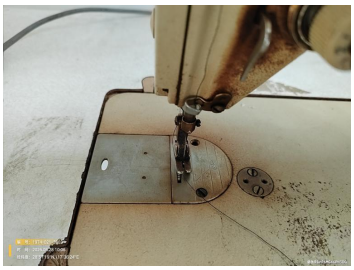
Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →



flat sewing machine lacked finger guards.jpg

* PDF generated at 02:24 (UTC) on 05 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601448499

Non-compliance Due 2024-07-25

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.M Ensure all machinery is installed, maintained, and used in a safe manner.

Issue title

267 - No/inadequate certificates for inspections of machinery, or machines not registered as required by law

Description

Based on document review and on-site audit, it was found that a pressure vessel with a design pressure of 1.76 MPa in the metalworking workshop was classified as special equipment. The factory failed to present its special equipment registration certificate and annual inspection report for review during the audit.
文件审查和现场审核发现，工厂五金加工车间内一台设计压力为1.76Mpa的压力容器属于特种设备。审核过程中，工厂未能提供该设备的特种设备登记证和年检报告。

Description (carried over)

Based on onsite observation and document review, a pressure vessel with a desin pressure of 1.76 MPa in the factory metal machining workshop belongs to special equipment, and no registration and regular inspection record was provided for viewing.
根据现场观察和文件审核，工厂五金加工车间一台设计压力1.76MPa的压力容器属于特种设备，审核期间未提供特种设备登记证和年检报告供查看

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

Intended corrective and preventative actions, based on root cause analysis

The factory should ensure that the special equipment is registered and regularly inspected. 工厂应确保特种设备获取注册登记并定期检验。

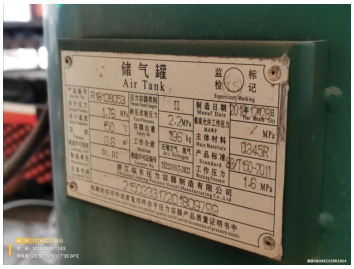
Intended corrective and preventative actions, based on root cause analysis (carried over)

The factory shall ensure that the special equipment is registered and regularly inspected.工厂应确保特种设备获取注册登记并定期检验。

Local law reference

Special Equipment Safety Law of the People's Republic of China (2013), Article 33 Special equipment users shall, before or within 30 days after putting special equipment to use, register the use with the department responsible for special equipment safety supervision and administration, obtain a use registration certificate, and place the registration mark in a conspicuous position of the special equipment.

Evidence



special equipment without registration certificate or annual inspection report.jpg

* PDF generated at 02:24 (UTC) on 05 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601448497

Non-compliance

Due 2022-07-07

Code area

3 Working conditions are safe and hygienic

Status

Open*

← 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.

Issue title

233 - Hazardous substances (e.g. chemicals and pesticides) are stored unlabelled or labelling is incorrect

Description

During the on-site audit, it was found that about 40% of chemicals in the factory were not affixed with safety labels, such as phosphating agents for surface treatment.
现场审核发现，工厂约40%的化学品无安全标签，例如表面处理用的磷化剂等。

Description (carried over)

Based on on-site observations, about 30% of the chemicals in the factory lacked with safety labels, such as machine oil and Phosphating agent in surface treatment workshop.
根据现场观察，工厂约30%的化学品无安全标签，例如表面处理车间的磷化剂，机油等。

Intended corrective and preventative actions, based on root cause analysis

The factory should provide safety labels for all chemicals. 工厂应给所有的化学品提供安全标签

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

The factory should provide safety labels for all chemicals.工厂应给所有的化学品提供安全标签

Local law reference

Regulations on Safety Use of Chemicals in Workplaces (1996),
Article 12, Chemicals used shall have the labels, and the hazardous chemicals should be attached with safety labels. Also, the safety and technical instructions of the chemicals shall be available for operators engaged in the use of the chemical.
Article 20, Units shall open safety and sanitary documents of hazardous chemicals to employees and educate them to identify the safety labels, understand the safety and technical instructions, and master the emergency response methods as well as self-first-aid measures. Units shall regularly educate and train employees regarding the safety use of chemicals at workplaces.

Evidence

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →



chemicals without safety labels.jpg

* PDF generated at 02:24 (UTC) on 05 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601448494

Non-compliance

Due 2022-07-07

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

223 - Systemic occurrence of incorrect/damaged insulation in electricals including burnt/damaged wiring and plugs

Description

During on-site audit, it was found that some electrical boxes in the workshop were either unlocked or not fitted with internal insulating covers.
现场审核发现，工厂车间内部分电箱未上锁或无绝缘内盖。

Description (carried over)

On site inspection found that some electrical switch boxes in the factory workshop lacked outer covers, and some electrical boxes were not locked and had no insulated inner covers.
现场审核发现，工厂车间内部分电气开关盒缺少外盖，部分电箱未上锁且无绝缘内盖。

Intended corrective and preventative actions, based on root cause analysis

The factory should install internal covers on all electrical boxes and keep them locked.
工厂应给所有电箱安装内盖且上锁。

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →

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

It is recommended that the factory install external covers for all electrical switches and internal covers and locks for electrical boxes.
建议工厂为所有电气开关安装外盖，为电箱安装内盖且上锁。

Local law reference

National Safety Technical Code for Electric Equipments (GB 19517-2009) 2.2.3 To prevent accidental contract with live parts, electrical equipment structure and/or housing can be used, or the device can be placed in a closed electrical work field. The parts used to prevent direct contact are only allowed to be removed or opened by means of tools....

Evidence



electrical box was not locked and had no inner cover.jpg

* PDF generated at 02:24 (UTC) on 05 Jun 2026. View this finding on the Sedex platform for live updates and closure details.

3. Working conditions are safe and hygienic

Data points

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

← Code area 3

Code area 4 →

Does the site have a structural engineer evaluation?	Yes

← Code area 3

Code area 4 →

4. Child labour shall not be used

Management systems

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

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The factory established Child Labour Prevention and Remediation Policy which meets all Workplace Requirements in this code area. The Policy makes reference to the Recruitment Procedure, which outlines the key mechanisms in place for preventing underage work and the placement of young workers in improper positions. This procedure includes provision for non-employee (agency) workers. The Remediation Procedure outlines processes and responsibilities including financial for undertaking remediation. 2) Resource Grade: Robust The Facility manager is named within the Child Labour Prevention and Remediation Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin. leads are allocated responsibility to implement the Hiring Procedure in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Some Improvement Recommended Training at site is governed by a training procedure which is the specific responsibility of the HR & Admin Manager. The Child Labour Prevention and Remediation Policy is available and communicated to all employees, and there is general awareness of it among staff interviewed. Training on the Recruitment Procedures is mandatory for all HR and Admin Staff processing applications or onboarding. A training matrix utilized by line managers ensures that there is a very low chance of gaps regarding this training. All interviewed workers clearly knew the legal age and they all met the legal age when they joined the factory. But some workers didn't know the relevant requirement about young workers. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of age-verification are defined by the Recruitment Procedure. The procedure requires that audit of the records kept of this verification is conducted by the HR and Admin leads. Records are kept of monitoring activities. Any identification of misapplication of procedures, or concerns about application is escalated for action in the weekly HR team calls. For example, the job applicant only had residential register upon hiring and provide the ID card later – this was highlighted by internal monitoring and re-training rolled out for key staff.

← Code area 3

Code area 5 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current Systems: 1. The factory established policy and procedure on prohibiting child labour. 2. Based on recruiting instruction review, all applicants should write register sheets during recruiting, and all information identified in the register sheets should be verified. And HR staffs should interview with applicants and check ID cards to verify ages. 3. Based on documents review, the factory kept valid and sufficient age information such as copies of ID card, education certificate or other documents with employment history. And personal files showed that no child labour or young worker was identified in the factory. The youngest worker on site was 28 years old who was born on Feb. 12, 1998 and joined the factory on Mar. 5, 2018. Remark: In China, minimum age of worker is 16 years old. Workers between 16 -18 are regarded as young labour. Evidence examined: 1. Policy on workers recruitment 2. Personnel files including the ID card copies of workers 3. Roster and labour contracts of all workers 4. Workers' interview and management interview

← Code area 3

Code area 5 →

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	0%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	28
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

← Code area 4

Code area 5 →

5. Legal wages are paid

Management systems

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

← Code area 4

Code area 5.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established Wages and Benefits Policy which meets all Workplace Requirements in this code area. The Policy makes reference to the Payment Procedure, Paid leave Procedure, Benefits Procedure, which outlines the key mechanisms in place for legal payment, minimum wage guarantee and legal benefit payment. 2) Resource Grade: Robust The General manager is named within the Wages and Benefits Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin and financial leads are allocated responsibility to implement the Payment Procedure, Paid leave Procedure, Benefits Procedure in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Fundamental improvements Recommended Training at site is governed by a training procedure which is the specific responsibility of the HR & Admin Manager. The Wages and Benefits Policy is available and communicated to all employees, and there is general awareness of it among staff interviewed. Training on the Wages and Benefits Policy and procedures is mandatory for all employees. However, due to the lack of awareness of the social insurance importance, some workers did not participate the social insurance, which lead to an issue in this section. 4) Monitoring: Grade: Fundamental improvements Recommended Responsibilities for monitoring implementation of payment and benefits are defined by the Payment Procedure, Paid leave procedure and Benefits procedure. The procedures require that audit of the records kept of this verification is conducted by the HR and Admin and Financial leads. Records are kept of monitoring activities. Any identification of misapplication of procedures, or concerns about application are escalated for action in the weekly HR team calls. For example, some employees were not covered by five types of social insurance. However, the facility did not address the issue currently.

Summary of findings

← Code area 4

Code area 5.A →

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC ZAF601448495

Systems and evidence examined to validate this code section	Current system: 1. The factory paid the wages to workers on or before the 15th of the next month by cash. 2. All workers were paid meet the legal minimum wage: legal minimum wage was RMB1740 per month/ RMB10 per hour since April 1, 2024 and RMB1950 per month/ RMB11.21 per hour since December 1, 2025 while the factory paid at least RMB2700 per month for all workers. 3. The wage slip was provided for all workers. 4. Based on workers interview, they knew the policies on wages and benefits well and said overtime wage was paid 150%, 200% and 300% of normal wage for the overtime hours on working days, rest days and statutory holidays. 5. The factory provided the payrolls from May 2025 to April 2026 and attendance records from May 1, 2025 to the audit day for review. Evidence examined: 1. Attendance records 2. Workers' interview 3. Wages and benefits policy 4. Local legal minimum wage documents 5. Payroll records 6. Leave records 7. Resignation records 8. Payslips of all workers interviewed

← Code area 4

Code area 5.A →

Findings: non-compliances

ZAF601448495

Non-compliance Due 2022-09-05

Code area

5 Legal wages are paid

Workplace requirement

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

Issue title

423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic

Description

Social insurance coverage was deficient. Based on document review, the factory had a total of 29 employees, including 5 retired employees and no new recruit. According to the factory's social insurance payment certificate for April 2026, the factory provided pension insurance, medical insurance, maternity insurance, unemployment insurance and work-related injury insurance to 18 employees (75%). Remark: The factory purchased commercial accident insurance for 20 employees, with a valid period from December 18, 2025 to December 17, 2026.
工厂社保参保覆盖率不足。 文件审查发现，工厂共29名员工，其中包含5名退休员工, 无新进员工。根据工厂2026年4月份的社保缴费凭证显示，工厂给18名（75%）工人提供了养老保险，医疗保险，生育保险，失业保险和工伤保险。备注：工厂为20名员工提供了商业意外险，有效期是2025年12月18日至2026年12月17日。

Description (carried over)

Insufficient social insurance coverage. During the audit period, there were a total of 29 non management workers in the factory, including 7 retired workers, no workers who had been employed for less than a month. The number of people who met the insurance requirements was 22. Based on document review (social insurance payment receipts of May. 2025) and worker interview, the factory provided 19 workers (86.4%) with pension insurance, unemployment insurance, work-related injury insurance, medical insurance, and maternity insurance. Remark: The factory has purchased commercial accident insurance for all workers, which is valid from December 18, 2024 to December 17, 2025.
社会保险覆盖不足。审核期间工厂共有29名非管理层工人，其中包含7名退休返聘工人，无入职不满一个月的工人，符合参保要求人数为22人。根据文件审核（2025年5月的社保缴费单）和工人访谈审核发现，工厂为19名工人（86.4%）提供了养老保险、失业保险、工伤保险、医疗保险和生育保险。备注：工厂为所有工人购买了商业意外险，有效期从2024年12月18日-2025年12月17日。

Status

Open*

Time given to resolve

90 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

← Code area 5

Code area 5.A →

Intended corrective and preventative actions, based on root cause analysis

The factory should provide five social insurances to eligible employees. 工厂应为符合条件的员工提供五项社会保险。

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

The factory should provide five social insurances to eligible employees.工厂应为符合条件的员工提供五项社会保险

Local law reference

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

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

Timescales was confirmed by factory.

Evidence



insufficient social insurance coverage.jpg

← Code area 5

Code area 5.A →

* PDF generated at 02:24 (UTC) on 05 Jun 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 Wages are based on job skills and experience Other (provide details) The legal minimum wage All workers wages were calucated on a montly salary basis.
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) Wages were issued by cash.
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None
Where the site has undertaken a Living Wage gap analysis against a credible Benchmark which Benchmark have they used?	Anker Reference Value Methodology

Worker renumeration

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

Summary information

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

← Code area 5

Code area 5.A →

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	184.0
Maximum legal overtime hours	**Max hours per day**	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	**Max hours per day**	2.0
	Max hours per week	14.0
	Max hours per month	55.5
Minimum legal wage	**Min per hour**	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	1950.0
Actual minimum wage	**Actual per hour**	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	2700.0

← Code area 5

Code area 5.A →

Minimum legal overtime wage	**Min per hour**	16.81
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	23.28
	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 Sep. 2025 (Random) 10 samples from Jan. 2026 (Random) 10 samples from Apr. 2026 (Current)
Are there different legal minimum/ legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Above legal minimum
Indicate the breakdown of workforce per earnings	100% of workforce earned above minimum wage.
Are there any bonus schemes used?	No

← Code area 5

Code area 5.A →

Were accurate records shown at the first request?	Yes
Were any inconsistencies found?	No

← Code area 5

Code area 5.A →

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1 .The factory established the wage and benefit procedure documents, and implemented them, supervised and maintained them in accordance with the procedures. 2. The factory had calculated the living wage of all workers and analyzed the gap, and it had been confirmed with the actual wages of the gap assessment were consistent with the wage records. 3.The factory had made improvement plans aimed at ensuring the living wage of its workers. 4.The factory used the Anker Reference Value Methodology to calculate the workers' living wage. Evidence examined: 1. Living wage gap analysis record 2. Wage improvement plan 3. Wage and Benefit procedure

← Code area 5

Code area 6 →

6. Working hours are not excessive

Management systems

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

← Code area 5.A

Code area 7 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established Working Hours Policy. The Policy makes reference to the working hour procedure, leave procedure and benefits procedure, which outlines the key mechanisms in place for regular working hours, weekly working hours and rest day. 2) Resource Grade: Robust The facility manager is named within the Working Hour Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin leads are allocated responsibility to implement the working hour procedure, leave procedure and benefits procedure, in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Fundamental Improvements Required Training at site is governed by a training procedure which is the specific responsibility of the HR & Admin Manager. The Working Hours Policy is available and communicated to all employees, but interviews with relevant workers have showed that the training effect was not good, some workers was not aware of the legal requirement of overtime working hours. 4) Monitoring: Grade: Fundamental Improvements Required Responsibilities for monitoring implementation of working hour are defined by the working hour procedure, leave procedure and benefits procedure. The procedures require that audit of the records kept of this verification is conducted by the HR and Admin, and Financial leads. Records are kept of monitoring activities. Internal auditing of working hours is either not carried out thoroughly or the inspection process fails to identify such as monthly overtime hours not deal as law requirement. And corrective actions are not taken in a timely manner when issues are identified, which lead to systemic NC in monthly overtime working.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 5.A

Code area 7 →

6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC	ZAF601448496

Systems and evidence examined to validate this code section	Current system: 1. Through employees' interview, overtime was voluntary. 2. During the audit, the factory provided payrolls from May 2025 to April 2026 and attendance records from May 1, 2025 to the audit day for review. 3. Based on worker interview and management interview, the working hours of workers were recorded by fingerprint recognition system. 4. According to time records and workers' interview, normal working hours were 8 hours per day with five days a week from Monday to Friday. All workers were arranged on one shift: 8:00–11:30, 13:00–17:30. 5. All workers had at least 1 day off after 6 consecutive working days. 6. Workers' maximum monthly overtime hours were 55.5 hours which exceeded the legal requirements. 7. The maximum weekly working hours were 54 hours which did not exceed the ETI requirements 60 hours. 8. The factory had carried out regular monitoring on working hours and implemented relevant corrective actions. Although excessive overtime still existed currently, the duration and frequency of overtime had shown a continuous downward trend. Evidence examined: 1. Workers' interview 2. Management interview 3. Local and national laws 4. Factory policy on working hours 5. Sample pay slips with recorded hours all workers interviewed 6. Workers' contracts 7. Production records to cross check hours

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601448496

Non-compliance

Due 2022-09-05

Code area

6 Working hours are not excessive

Workplace requirement

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

Issue title

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

Description

Workers' overtime exceeded legal requirement. The factory provided attendance records from May 1, 2025 to the audit date, and payroll records from May 2025 to April 2026. Auditor randomly selected 10 workers as samples in April 2026 (current month), January 2026 (random month) and September 2025 (random month) and found as below: 1) In April 2026, the monthly overtime hours of all sampled 10 workers were exceeded 36 hours, and reached maximum 48 hours. 2) In January 2026, the monthly overtime hours of all sampled 10 workers were exceeded 36 hours, and reached maximum 55.5 hours; 3) In September 2025, the monthly overtime hours of all sampled 10 workers were exceeded 36 hours, and reached maximum 46 hours.
员工的加班时间超过法律法规要求。 工厂提供了2025 年5月1日至审核当日的考勤记录，以及2025年5月至2026年4月的工资记录。审核员在2026年4月（当前月）、2026年1月（随机月）、2025年9月（随机月）随机抽取10名工人作为样本，发现如下： 1）2026年4月抽样的10名员工月加班时间均超出36小时，最高达48小时。 2）2026年1月抽样的10名员工月加班时间均超出36小时，最高达55.5小时；
3）2025年9月抽样的10名员工月加班时间均超出36小时，最高达46小时。

Status

Open*

Time given to resolve

90 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

← Code area 6

Code area 7 →

Description (carried over)

Workers' monthly overtime hours exceeded the legal limit of 36 hours. According to the attendance records provided by the factory from Jul. 01, 2024, to May. 27, 2025 (the audit day), months of Apr. 2025, Nov. 2024, and Aug. 2024 were sampled for review, it was noted that: •10 out of 10 sampled workers in all the posts worked up to 42 overtime hours in Apr. 2025 (Recent); •10 out of 10 sampled workers in all the posts worked up to 51.5 overtime hours in Nov. 2024 (Random); •10 out of 10 sampled workers in all the posts worked up to 48.5 overtime hours in Aug. 2024 (Random). Remark: Factory did not obtain Consolidated Working Hour System Approval and there was no obvious peak season.
工人月加班时长超出36小时的法规要求。根据工厂提供的工时记录（2024年7月1日到2025年5月27日审核当日），抽样查看2025年4月、2024年11月以及2024年8月的工时记录，审核发现：•10/10名工人在2025年4月的加班时长最多为42小时（最近月份）；•10/10名工人在2024年11月的加班时长最多为51.5小时（随机月份）；•10/10名工人在2024年8月的加班时长最多为48.5小时（随机月份）；备注：工厂未取得综合计时批文且无明显淡旺季。

Intended corrective and preventative actions, based on root cause analysis

The factory should ensure that employees work overtime in compliance with legal requirements.
工厂应确保员工加班时长符合法规要求。

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

The factory should ensure that employees work overtime in compliance with legal requirements.
工厂应确保员工加班时长符合法规要求

Local law reference

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

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

Timescales was confirmed by factory.

Evidence

← Code area 6

Code area 7 →



workers' overtime exceeded legal requirement.jpg

* PDF generated at 02:24 (UTC) on 05 Jun 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?	Not applicable.
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	51.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	54.0
Maximum number of days worked without a day off in sample	6

← Code area 6

Code area 7 →

7. No discrimination is practiced

Management systems

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

← Code area 6

Code area 8 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established Anti-Discrimination Policy. The Policy makes reference to the no-bias procedure, fair payment procedure, equal right procedure, which outlines the key mechanisms in place for non-discrimination during the whole employment. 2) Resource Grade: Robust The General manager is named within the Anti-Discrimination Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin leads are allocated responsibility to implement the procedure, fair payment procedure, equal right procedure, in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Some improvements Recommended Training at site is governed by a training procedure which is the specific responsibility of the HR & Admin. Manager. The Anti-Discrimination Policy is available and communicated to all employees, and there is general awareness of it among staff interviewed. Training on the Anti-Discrimination Policy and relevant procedures is mandatory for all employees. However, some interviewed workers were not clear about the detailed requirement, they just said that they had not encountered any cases of discrimination, all requirements were fair for them. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of non-discrimination are defined by the no-bias procedure. The procedure requires that audit of the records kept of this verification is conducted by the HR and Admin leads. Records are kept of monitoring activities. Any identification of misapplication of procedures, or concerns about application are escalated for action in the weekly HR team calls.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 6

Code area 8 →

Systems and evidence examined to validate this code section	Current Systems: 1. According to management and workers interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background, etc.; female workers had the same pay and working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement. 2. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement. 3. There was no evidence of sexual harassment. 4. The factory had established systematic and transparent recruitment, training, development, and promotion processes to ensure that all employees have equal opportunities, unaffected by factors such as gender, age, race, or religious beliefs. Recruitment information was publicly released, and a standardized interview process isused (remove irrelevant information such as gender/age/school and multi person rating calibration uesd). Setting up training plans according to job sequences/ability levels and provided to all employees with multilingual support. Beside, the factory had clearly defined the promotion criteria (performance proportion, ability requirements, and years of service), implemented a "dual-channel promotion" (management position + professional position), publicized the candidates and review results, and opened an appeal channel. Evidence examined: 1. The hiring and termination procedure 2. Leave application records and employee handbook 3. Labour contract 4. Termination records 5. Attendance and payroll records 6. Training records 7. Worker interview and management interview

← Code area 6

Code area 8 →

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	0%
Representation of women in managerial roles (ratio of women workers to women managers)	10%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	0%
Three most common nationalities in managerial and supervisory roles	Chinese

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

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

← Code area 7

Code area 8.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established Recruitment and Regular Employment Policy. The Policy makes reference to the hiring procedure, labor contract procedure, which outlines the key mechanisms in place for regular employment during the whole employment. 2) Resource Grade: Robust The Facility manager is named within the Recruitment and Regular Employment procedure Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin leads are allocated esponsibility to implement the hiring procedure, labor contract procedure, in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific esponsibility of the HR & Admin Manager. The Policy is available and communicated to all employees, and there is general awareness of it among staff interviewed. Training on the Recruitment and Regular Employment Policy and relevant procedures is mandatory for all HR and Admin staff processing applications or on-boarding. 4) Monitoring: Grade: Some Improvements Recommended Responsibilities for monitoring implementation of regular employment are defined by the hiring procedure and labor contract procedure. The procedures require that audit of the records kept of this verification is conducted by the HR and Admin leads. Records are kept of monitoring activities. Any identification of misapplication of procedures, or concerns about application are escalated for action in the weekly HR team calls. For example, the facility also checked the regular employment of their stakeholders, such as suppliers in their internal audit. However, they only check the questionnaire regarding the labor contract, without further investigation if the labor contracts were still valid in the suppliers. The facility had been aware of this issue, they were making corrective action plan now.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 7

Code area 8.A →

No findings

Systems and evidence examined to validate this code section	Current Systems: 1. No temporary worker, apprenticeship schemes worker was identified by the auditor. 2. No homework and apprenticeship schemes were found in this factory. 3. The factory signed labour contracts with workers when the workers were hired; all workers had received a signed labour contract. Evidence examined: 1. Employment procedure and requirements 2. Workers' interview 3. Labour contracts 4. Personal file

← Code area 7

Code area 8.A →

8. Regular employment is provided

Data points

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

← Code area 8

Code area 8.A →

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

Management systems

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

← Code area 8

Code area 9 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established Subcontracting Policy and No-Home Worker Policy. The Policies make reference to the subcontracting procedure, monitoring procedure, hiring procedure, labor contract procedure, which outlines the key mechanisms in place for subcontracting management and no-home work during the whole employment. 2) Resource Grade: Robust The Manager is named within the Subcontracting Policy and No-Home Worker Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin and Production leads are allocated responsibility to implement the subcontracting procedure, monitoring procedure, hiring procedure, labor contract procedure, in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Some Improvements Recommended Training at site is governed by a training procedure which is the specific responsibility of the HR & Admin Manager. The Policy is available and communicated to some key staffs but didn't include all of the workers. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of subcontracting and no home-work are defined by the subcontracting procedure, monitoring procedure, hiring procedure, labor contract procedure. The procedures require that audit of the records kept of this verification is conducted by the HR and Admin., and Production Leads. Records are kept of monitoring activities. Any identification of misapplication of procedures, or concerns about application are escalated for action in the weekly HR team calls.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 8

Code area 9 →

Systems and evidence examined to validate this code section	Current Systems: 1. Site tour showed that all production processes were present in the factory. 2. Based on onsite observation and management interview, no homework was identified in the factory. 3. The factory had established social accountability manual including sub-contracting control procedure. 4. No sub-contractor was used by the factory. Evidence examined: 1. Site tour (Calculation on total production and estimated capacity) 2. Management interview 3. Workers' interview 4. Materials in/out records

← Code area 8

Code area 9 →

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

Data points

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

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

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

Sub-contracting

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

← Code area 8.A

Code area 9 →

Are any sub-contractors used?	No

← Code area 8.A

Code area 9 →

9. No harsh or inhumane treatment is allowed

Management systems

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

← Code area 8.A

Code area 10.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established No Harsh or Inhumane Treatment Policy. The Policies make reference to the anti-harassment and disciplinary procedure, which outlines the key mechanisms in place for no harsh or inhumane treatment during the whole employment. 2) Resource Grade: Robust The manager is named within the No Harsh or Inhumane Treatment Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR and Admin leads are allocated responsibility to implement the anti-harassment and disciplinary procedure, in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Robust Training at site is governed by a training procedure which is the specific responsibility of the HR & Admin Manager. The Policy is available and communicated to all employees, and there is general awareness of it among staff interviewed. Training on the anti-harassment and disciplinary procedure is mandatory for all employees. All interviewees stated they were treated equally and friendly by the facility management and colleagues. 4) Monitoring: Grade: Robust Responsibilities for monitoring implementation of No Harsh or Inhumane Treatment Policy are defined by the anti-harassment and disciplinary procedure. The procedures require that audit of the records kept of this verification is conducted by the HR and Admin and Production Leads. Records are kept of monitoring activities.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 8.A

Code area 10.A →

Systems and evidence examined to validate this code section	Current Systems: 1. The factory management had established a disciplinary procedure for workers' misbehaviour which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Worker interview confirmed that workers were aware of the disciplinary procedure. 2. From workers' interview, they never witnessed any cases of physical abuse or discipline, sexual or other harassment and verbal abuse or other forms of intimidation existed in this factory. 3. There was an internal process for grievance, which was an anonymous suggestion box, where workers can report any grievances (harassment, bullying, discrimination, etc.). Any received complaint will be handled by management, without any reprisal for the worker in question. Evidence examined: 1. The relevant policy on prevention of harassment and abuse 2. Internal grievance procedure documentation 3. Training records 4. Worker and management interview

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

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

← Code area 9

Code area 10.A →

10.A. Environment 2-Pillar

Management systems

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

← Code area 9

Code area 10.B →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The facility established Environmental Protection Policy. The Policy make reference to the energy saving procedure, eco-friendly production procedure and pollution control procedure which outlines the key mechanisms in place for environmental protection operation. 2) Resource Grade: Robust The EHS manager is named within the Environmental Protection Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The EHS Manager is allocated responsibility to implement the energy saving procedure, ecofriendly production procedure and pollution control procedure, in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. 3) Communication & Training: Grade: Some Improvements Recommended Training at site is governed by a training procedure which is the specific responsibilityof the EHS Manager. The Policy is available and communicated to all employees. Training on the energy saving procedure, eco-friendly production procedure and pollution control procedure is mandatory for all employees. All interviewees stated they were trained on environmental protection. But some workers were not clear on the environmental requirements, it might result some issue in the future. 4) Monitoring: Grade: Some Improvements Recommended Adherence to the processes is monitored via departmental reporting to the manager, and the factory conducted regular environmental audits to ensure compliance with internal policies and external regulations. Based on the monitoring results, the factory makes necessary adjustments to its environmental system, whether it's implementing new technologies, modifying procedures, or providing additional training. But the monitoring for its impact to climate change was not carried out yet.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 9

Code area 10.B →

Systems and evidence examined to validate this code section	Current systems: 1. The factory obtained Fixed pollution source discharge registration receipt from local government, and provided EIA report, EIA Approval and EIA Acceptance for review. 2. The factory learned about the environment impact of their site and took continuously management measures to control the environment impact. 3. Based on workers' interview, they were trained on environmental protection. 4. The factory had procedure on environment protection and the Mr. Ge Jinming/ Management Representative was appointed as response for environment performance. Evidence examined: 1. Environmental policy and procedure 2. Environmental documents 3. Workers and management interview 4. Site tour

← Code area 9

Code area 10.B →

10.A. Environment 2-Pillar

Data points

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

← Code area 10.A

Code area 10.B →

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1. The factory learned about the environment impact of their site and took continuously management measures to control the environment impact. 2. Based on workers interview, they were trained on environmental protection. Evidence examined: 1. Environmental policy and procedure 2. Worker and management interview 3. Site tour

← Code area 10.A

Code area 10.C →

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Sustainable material sourcing Packaging optimization Circular economy and resource efficiency Biodiversity and eco system impact management Prioritising local suppliers Responsible use and management of water
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes This was included in the factory's internal management system.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Yes The factory had monitored the environmental performance of business partners.

← Code area 10.B

Code area 10.C →

Usage/discharge analysis

	Last full calendar year (2025)	Previous full calendar year (2024)
Total electricity consumption from non-renewable sources (kWh)	215,627	198,772
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	local water authority	local water authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	1,457	1,286
Water discharged	Municipal pipe network	Municipal pipe network
Water volume discharged (m3)	1,260	1,080
Water volume recycled (m3)	0	0

← Code area 10.B

Code area 10.C →

Total waste produced (mt)	3.2	3
Total hazardous waste produced (mt)	0.2	0.2
Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	0
Waste to other (mt)	3.2	3
Total product produced (mt)	1,068	980

← Code area 10.B

Code area 10.C →

10.C. Business ethics

Management systems

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

← Code area 10.B

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Robust The factory established Control procedures for the prevention of commercial bribery policy. The policy outlined the systems in place to manage this issue at the site includes all relevant requirements of the code area, such as honesty and integrity in fair transactions, respect for intellectual property rights. Procurement procedures are designed to ensure fairness and transparency, with clear guidelines for selecting suppliers based on quality, price, and ethical practices. 2) Resource Grade: Robust There is a designated manager responsible for ensuring the implementation of the site policies. Regular training of business ethics guarantee that all the workers and management meets the requisite standards. 3) Communication & Training: Grade: Some Improvements Recommended All workers have done a series of relevant training and repeated periodically to reinforce ethical concepts. However, there are no documented records for evaluating the effectiveness of the training. 4) Monitoring: Grade: Robust Adherence to the processes is monitored via departmental reporting to the senior manager and the factory has established a complete mechanism to verify implemented by operational staff. Based on the monitoring results, the factory makes necessary adjustments to its policies, training programs, and other aspects of the business ethics system to ensure its continued effectiveness.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 10.B

Systems and evidence examined to validate this code section	Current systems: 1. Gereral Manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery. 2. The factory had established a business ethics policy which was communicated to workers through posters and training. 3. The site had received and read the Business Ethics policy of the auditor/audit company. 4. There was an internal grievance process, which was an anonymous email address. Evidence examined: 1. The company business ethics policy 2. Bribery and Corruption policy 3. Training records 4. Worker handbook

← Code area 10.B

10.C. Business ethics

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with business ethics legislation, regulation, consent or permits (within the last three years)?	No
Provide any certified anti-bribery management systems for the site	No anti-bribery Management System certificate obtained.

← Code area 10.C

Attachments

SMETA-JSASCN26834108-Dexing Shengshi Industrial Trade Co Ltd-May 28-29, 2026-Annual-Onsite CAP.pdf

SMETA-JSASCN26834108-Dexing Shengshi Industrial Trade Co Ltd-May 28-29, 2026-Annual-Photo Report.pdf