

Sedex Members Ethical Trade Audit Report

Version 7



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Audit content

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

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

2-pillar audits include:

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

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

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

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

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

Audit details

Site details

Sedex site reference	ZS1029865	Site name	Dong Guan HaoSen Metal Jewelry Ltd
Business name	Dong Guan HaoSen Metal Jewelry Ltd	Site address	101, 2nd Building, No. 2, Zhen Rong Road, Wu Sha, Chang An Town, Dong Guan City, Guang Dong Province. Dong Guan CN 523850

Audit details

Sedex company reference	ZC1012647	Auditor company name	BUREAU VERITAS CPS - ASIA
Audit company address	7th Floor. Octa Tower. 8 Lam Chak Street, Kowloon Bay, Kowloon, HONG KONG, CN, -		
Date of audit	2025-10-29	Audit conducted by	Lyla Lee
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		
Time in and out	Day 1		Day 2
	In	13:30	In 09:00
	Out	17:30	Out 17:00
Audit type	Periodic		

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Was the audit announced? Semi announced

Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? Xu Xiao / Admin Manager

Any conflicting information SAQ/Pre-Audit Info No

Is further information available? No

Audit attendance

	Senior management	Worker representative	Union representative
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	There was no Union established in the factory.		
Reason for absence during the audit	There was no Union established in the factory.		
Reason for absence at the closing meeting	There was no Union established in the factory.		

SMETA declaration

Auditor team

SMETA declaration

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

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

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

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

1. This audit includes elements beyond the scope of a Social Compliance Audit as defined by the APSCA Competency Framework. The association of the auditor's APSCA number with this report is limited to those elements outlined in the APSCA Competency Framework. APSCA makes no representations with respect to the auditor's competency to professionally evaluate compliance with any other audit elements.
2. The semi-announced window of this audit is from Oct 20, 2025 to Nov 14, 2025.

Lead auditor

Lyla Lee

APSCA Number

21701217

Additional auditor

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Auditor team

Date of declaration 2025-10-30

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 Xu Xiao

Title Admin Manager

Date of declaration 2025-10-30

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law	NC ZAF601170442
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601170440
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601170441
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC ZAF601156390
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601156391

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[Management systems →](#)

Management systems

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



Not addressed



Fundamental improvements required



















Some improvements recommended



Robust management systems

[← Summary of findings](#)

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	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](#)

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Site details

Company and site details

Sedex company reference	ZC1012647
Sedex site reference	ZS1029865
Company name	Dong Guan HaoSen Metal Jewelry Ltd
Business ownership type	GOODS
Site name	Dong Guan HaoSen Metal Jewelry Ltd
Site name in local language	
GPS location	<p>GPS address</p> <p>101, 2nd Building, No. 2, Zhen Rong Road, Wu Sha, Chang An Town, Dong Guan City, Guang Dong Province. The factory was established on Mar 24, 2011. The factory occupied part of the 1F of one 3-storey production building; the rest parts or floors of the production building were occupied by other factories. No canteen or dormitory was provided in the factory. The total construction area was 1500 square meters. The factory had a total of 36 employees (14 male and 22 female employees), including 1 management, 3 supervisors or team leaders, 6 administrative staffs, and 26 workers. The youngest employee in the factory was 21 years old.</p> <p>Coordinates</p> <p>Latitude: 22°47'8" Longitude: 113°47'17"</p>
Is the worksite in a remote location, far from habitation?	No

[← Management systems](#)

[Worker analysis →](#)

Company and site details

Site contact	Contact name	Xu Xiao
	Job title	Admin Manager
	Phone number	0769-85078626
	Email	sophia@cufflinks-ah.com
Applicable business and other legally required business license numbers and documents	<ol style="list-style-type: none"> 1. Business License number: 914419005701787677 valid from Mar 24, 2011 to long term. 2. Fire Protection Registration Record issued on May 26, 2004. 3. Construction Safety Document issued on Dec 10, 2003. 	

[← Management systems](#)

[Worker analysis →](#)

Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier	
Site activities	Primary	Manufacture of jewellery and related articles
	Secondary	
	Other	
Product type	Metal jewellery	
Process overview	<p>Product: Metal jewellery</p> <p>Main operations: Cutting, Punching, Polishing, Cleaning, Assembly, Inspection and Packing.</p> <p>There were 2 production lines in the factory.</p> <p>Main machines: Cutting machines, punching machines, polishing machines, cleaning machines, etc.</p>	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	<p>No</p> <p>The factory occupied part of the 1F of one 3-storey production building; the rest parts or floors of the production building were occupied by other factories. Lease contract was provided for review. According to factory tour and interview, it was noted they had separate management system; no worker transaction issue was noted. Therefore, only the auditee factory was included into audit scope.</p>
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[← Site details](#)

[Worker analysis →](#)

Site scope

Building 1	Last construction works on site	2003
	If building is shared, provide details	The factory occupied part of the 1F of one 3-storey production building.
	Number of floors	3
	Description of floor activities	Part of the 1F: Cutting, Punching, Polishing, Cleaning, Assembly, Inspection and Packing workshop, warehouse, office Part of the 1F: Other factories 2F-3F: Other factories

Is there any difference between the site scope of the audit and the Sedex site profile? No

Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site? No

Is any activity conducted onsite not included within the scope of the audit? No

Worker accommodation and transport

Are there any site-provided worker accommodation buildings? No

Does the site organise worker transport to the worksite? Not applicable

No legal requirement and no transportation were provided by the audited factory. All employees lived near the site and independently arranged their own transport.

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[Worker analysis →](#)

Work patterns

Approximate workers on site per month (% of peak)	January	75-90%	February	90-95%
	March	95-100%	April	95-100%
	May	95-100%	June	95-100%
	July	95-100%	August	95-100%
	September	95-100%	October	95-100%
	November	95-100%	December	95-100%

Is there any night shift work at the site? No

Site assessments

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

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

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site? No
No, factory did not conduct Human Rights Impact Assessment 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	11 (42.3%)	15 (57.7%)	- -	26 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	11 (42.3%)	15 (57.7%)	- -	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	10 (43.5%)	13 (56.5%)	- -	23 (88.5%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	10 (43.5%)	13 (56.5%)	- -	23 (88.5%)

* % of total workforce

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

Guangxi, Hunan, Chongqing, etc. provinces

Workers by age

	Men	Women	Other	Total
18 - 24 years old	0 (0%)	1 (100%)	- -	1 (3.8%)
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 Factory did not have peak seasons.

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	42%	58%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 -	0 -	- -	0 (0%)
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 (0%)
Workers paid hourly / daily rate	11 (42.3%)	15 (57.7%)	- -	26 (100%)
Salaried workers	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 (0%)
Paid weekly	0 -	0 -	- -	0 (0%)
Paid monthly	11 (42.3%)	15 (57.7%)	- -	26 (100%)
Other	0 -	0 -	- -	0 (0%)

* % of total workforce

If other payment cycle entered, please provide details

N/A No other payment cycle.

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	0 (0%)	1 (100%)	- -	1
Supervisors or team leaders	1 (33.3%)	2 (66.7%)	- -	3
Administrative staff	2 (33.3%)	4 (66.7%)	- -	6

[← 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)

Nil

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

Communication (e.g. from management)

Work atmosphere (e.g. treatment by supervisors)

Additional comments

10 workers were selected from all departments for private interview or group interview. In general, the attitude of workers was favorable. Workers said that the factory management treated them friendly, and they were satisfied with their working environment, payment. The interview responses were coincident with the management interview and what the records showed. Workers also claimed that they would like more overtime working hours so that they could earn more overtime wage. Apart from the 10 workers interviewed listed in the worker analysis table, another 2 employees were interviewed for business ethics and 2 employees for environment as this is a 4-pillar audit.

Attitude of workers' committee/union representatives

Worker reps. represented that factory management cared about workers and paid attention to deal with workers' suggestion or complaint. They could give suggestions on all parts of the site's practices. In general, the worker representative was satisfied with the working condition and management style in the factory. No negative information.

Attitude of managers

At the opening meeting, auditor explained the audit scope and the audit standard to the factory representative. Factory tour, document review, interviews of management members and workers were conducted as scheduled. A full audit was finished under the co-operation with the factory representatives. During the factory tour, auditor was allowed to access the whole factory area. Factory management also allowed auditor to select the samples, review documents, and interview production workers in a private and confidential manner. No negative information.

[← 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	2	3	-	5
Workers interviewed individually	3	2	-	5

[← Worker analysis](#)

[Measuring workplace impact →](#)

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	5	4	-	9
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	5	4	-	9

Measuring workplace impact

Gender disaggregated data available Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	2.0%	0.0%	-	2.0%
Last full calendar year (2024)	2.0%	1.0%	-	3.0%
Previous full calendar year (2023)	3.0%	2.0%	-	5.0%

* 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 (2024)	2.0%	3.0%	-	5.0%
Previous full calendar year (2023)	2.0%	1.0%	-	3.0%

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

The factory established a system for the statistical report and treatment of accidents of injuries or deaths and cases of occupational diseases. Accident would be recorded if occurred.

[← 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 (2024)	0.0%	0.0%	-	0.0%
Previous full calendar year (2023)	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 (2024)	0.0%	0.0%	-	0.0%
Previous full calendar year (2023)	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 (2024)	0.0%	0.0%	-	0.0%

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

Previous full calendar year (2023)	0.0%	0.0%	-	0.0%
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Percentage of workers that work on average more than 60 total hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2024)	0.0%	0.0%	-	0.0%
Previous full calendar year (2023)	0.0%	0.0%	-	0.0%

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>Based on document review, management, and employee interviews, the auditor was allowed to conduct and complete the audit without obstruction to all requested documents, interviewees, and the production areas, warehouse and office areas. Moreover, the factory provided the auditor with genuine and authentic records. The factory provided an accurate site description and Sedex site profile declared prior to or during the audit. No bribes or threats were found, nor in any way induce the auditor to be dishonest.</p> <p>A manager from management team was responsible for implementing standards concerning Human rights. The Human Rights related records were provided and the policies and procedures had been communicated to workers and suppliers. It had a transparent and well-communicated system in place to enable the workers and suppliers to report to the company on Human Rights issues without fear of reprisals towards the reporters.</p> <p>Evidence examined</p> <ol style="list-style-type: none"> 1.The employee handbook 2.Training records 3.Human rights policy 4.Suggestion box 5.Management interview 6.Worker interview 7.Some anonymous grievance material 		

0. Enabling accurate assessment

Data points

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

1. Employment is freely chosen

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about freely chosen employment issues, which met all Workplace Requirements in this code area. The Policy made reference to the Employment Procedure, which outlined the key mechanisms in place for preventing forced labour, human trafficking, debt bondage/ bonded labour or any other form of modern slavery. This procedure included provision for all employees.

Resources

A Senior Director was named within the freely chosen Employment Policy as ultimately responsible personnel for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the Employment Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The freely chosen Employment Policy was available and communicated to all employees annually, and there was general awareness of it amongst staff interviewed. Training on the Hiring Procedures was mandatory for all HR staff processing applications or onboarding. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of freely chosen Employment were defined by the Hiring Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
← Code area 0			Code area 1.A →

No findings

Systems and evidence examined to validate this code section

Current systems:

Based on document review, management, and employee individual interviews, factory management reviewed original photographic identification to validate that all workers have the legal right to work. The factory established a policy and procedure on recruitment and entitlement to work. The factory manager was appointed to take charge of recruitment and entitlement to work. Training on recruitment and entitlement to work was provided for the workers once they entered the factory and periodically. Based on site verification, no agency staff or foreign workers was used by the factory. All the workers in the factory were Chinese and had the entitlement to work in this region.

Evidence examined:

- 1.Management interview
- 2.Factory policies and procedures
- 3.Management O-chart, appointment and commitment
- 4.Risk assessment records
- 5.Recruitment procedure
- 6.Internal audit and management review records
- 7.Training records
- 8.Worker interview
- 9.Business partner statement and evaluation record

1. Employment is freely chosen

Data points

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

1.A. Responsible recruitment and entitlement to work

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about responsible recruitment and entitlement to work issues, which met all Workplace Requirements in this code area. The Policy made reference to the Recruitment Procedure, which outlined the key mechanisms in place to ensure all workers were recruited legally and fairly, including conducting appropriate due diligence to verify that any third-party employment agencies or other recruitment brokers were following ethical practices. This procedure included provision for all employees.

Resources

A Senior Director was named within the responsible recruitment and entitlement to work Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the Recruitment Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The responsible recruitment and entitlement to work was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the Recruitment Procedures was mandatory for all HR staff processing applications or onboarding. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of recruitment verification were defined by the Recruitment Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

[← Code area 1](#)

[Code area 2 →](#)

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>Based on documents review, management and employee private interviews, no forced, bonded or involuntary prison labor was noted. All sampled employees were not required to lodge “deposits” or their identity cards and were free to leave or resign after reasonable notice. The factory did not detain any original documents such as ID Cards or Educational Certificates etc. All sampled employees confirmed that they joined the factory voluntarily and they could leave the factory with reasonable notification. All of employees were recruited directly by the facility and no agency was involved in facility's recruitment processes. No recruitment fees or related costs were charged.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Personnel files 2.Resignation records 3.Factory rules 4.Employee handbook 5.Management interview 6.Worker interview 		

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

Does the site use labour providers and/or formal, temporary, seasonal or guest worker programmes? Workers are recruited, selected, and hired directly by our company

How do the labour providers recruit and hire workers? N/A - Recruitment providers not used

Where labour providers were used to recruit, what was the highest number of tiers identified in a workers recruitment journey? 0

Are there any subcontracted workers (excluding dispatched labour) on site? No

Were all non-employee (e.g. agency or subcontracted) workers included within the scope of this audit for the purpose of document review and (if onsite on date of audit) interview? Not Applicable

Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review? Not Applicable

Migrant workers

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

[← Code area 1.A](#)

[Code area 2 →](#)

Percentage of workers that are migrant 89%

Do any workers migrate from other states, provinces or regions within the country to work at this site? Yes

List the sending states/provinces/regions Guangxi, Hunan, Chongqing, etc. provinces

Recruitment fees

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

Were recruitment fees or costs identified during worker interviews? No

No recruitment fee or cost was required from workers in the factory.

[← 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	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about freedom of association and right to collective bargaining issues, which met all Workplace Requirements in this code area. The Policy made reference to the freedom of association and right to collective bargaining Procedure, which outlined the key mechanisms in place to ensure all workers understand their legal rights in relation to trade unions, collective bargaining agreements and worker committees, etc. This procedure included provision for all employees.

Resources

A Senior Director was named within the freedom of association and right to collective bargaining Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the freedom of association and right to collective bargaining Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The freedom of association and right to collective bargaining Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the freedom of association and right to collective bargaining Procedures was mandatory for all HR staff processing applications or onboarding. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of freedom of association and right to collective bargaining were defined by the Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

[← Code area 1.A](#)

[Code area 3 →](#)

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>There was a Worker Representative Organization in the factory. The suggestion box was used by the employees to express their concerns and opinions. The right to freedom of association and collective bargaining was only restricted under law. According to workers interview, they were free to join organizations; the factory management recognized and respected their rights to freedom of association and collective bargaining, and employees were not subject to intimidation or harassment in the exercise of their right to join or to refrain from joining any organization.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Management interview 2. Worker interview 3. Records from the worker representative organization 4. Suggestions from the suggestion box and actions taken 5. Worker representative interview 		

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

Data points

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

[← Code area 2](#)

[Code area 3 →](#)

3. Working conditions are safe and hygienic

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about health and safety issues. The Policy made reference to the Health and Safety Procedure, which outlined the key mechanisms in place for making a safe working environment. This procedure included provision for all employees.

Resources

A Senior Director was named within the Health and Safety Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific health and safety manager was allocated responsibility to implement the health and safety Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The health and safety Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the health and safety Procedures was mandatory for all employees. A training matrix utilized by CSR team and health and safety specialist ensured that there was a very low chance of gaps in regards to this training.

Monitoring

Responsibilities for monitoring implementation of health and safety were defined by the health and safety Procedure. The procedure required that a safe working environment was ensured by health and safety staff and they conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. However, chemical safety, etc. were not well monitored systematically and no related monitoring records was provided for review.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 2](#)

[Code area 4 →](#)

3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law	NC ZAF601170442
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601170440
	3.N Ensure that all hazardous substances (e.g...	Local law	NC ZAF601170441

Systems and evidence examined to validate this code section

Current systems:

A health and safety committee covering management and workers was established in the factory. Comprehensive risk assessment was performed. Sufficient safety exits were available in all workshops. The factory was well ventilated and well lit. Drinkable water was available and free of charge in workshops. The factory maintained a comfortable temperature throughout work floors. Sufficient fire safety equipment was provided in workshops.

All firefighting equipment were inspected periodically. Fire drills were conducted twice a year normally and records were provided for review. First aid kit with sufficient supply was provided. Special equipment was well maintained. Chemicals / hazardous chemicals were stored in a specialized area and workers were trained for handling them.

The exact date(s) of all fire drill (s) conducted in the scope of the audit: Mar 04, 2025 and Aug 01, 2025. Legal construction safety documents were provided for review.

Evidence examined:

- Document review
- 1.Health and safety policy
- 2.Health and safety manual
- 3.Health and safety committee minutes
- 4.Training records and certificates
- 5.Fire equipment maintenance records
- 5.Fire drill records
- 7.Government licenses and checks on air quality and noise level
- 8.Trained first aider register
- 9.Accident records
- 10.Chemical list and MSDS
- 11.Potable water testing certificates
- Worker interview
- Management interview

Findings: non-compliances

ZAF601170442

Non-compliance

Due 2025-12-06

Code area

3 Working conditions are safe and hygienic

Status

Closed (2025-12-16)*

Workplace requirement

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

Time given to resolve

30 days

Issue title

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

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Description

It was noted that 2 out of 4 employees using thinner in production workshop were not wearing activated carbon mask provided by factory. 审核员发现工厂生产车间2/4名正在使用天那水的工人没有佩戴工厂发放的活性炭口罩。

Corrective and preventative actions

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

Local law reference

In accordance with Article 45 of Law of the People's Republic of China on Production Safety, business entities must provide their employees with labor protection products meeting the national or industry standards, and supervise and educate their employees on wearing or using such products in accordance with the rules of use. 根据《中华人民共和国安全生产法》第45条：生产经营单位必须为从业人员提供符合国家标准或者行业标准的劳动防护用品，并监督、教育从业人员按照使用规则佩戴、使用。

Evidence

[← Code area 3](#)

[Code area 4 →](#)



[NC-Not wearing activated carbon mask.JPG](#)

* PDF generated at 02:46 (UTC) on 17 Dec 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601170440		Non-compliance	Due 2025-12-06
Code area		Status	
3 Working conditions are safe and hygienic		Closed (2025-12-17)*	
Workplace requirement		Time given to resolve	
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.		30 days	
Issue title		Verification method	
233 - Hazardous substances (e.g. chemicals and pesticides) are stored unlabelled or labelling is incorrect		Desktop audit	
Description		Area of non-compliance/non-conformance	
It was noted that hazardous chemical containers such as thinner being used in production workshop was not posted with a safety label. 审核员发现工厂生产车间正在使用的盛装天那水等危险化学品的容器没有张贴安全标签。		Local law	
Corrective and preventative actions			
It is recommended that management adopt practices and controls to ensure that all hazardous chemicals stored or being used in the factory is posted with safety labels. 建议所有在工厂内储存和使用的危险化学品都有张贴安全标签, 标签的内容要完整。			
← Code area 3		Code area 4 →	

Local law reference

In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place: (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed. 根据《工作场所安全使用化学品规定》第14条：(1)使用单位购进的化学品需要转移或分装到其他容器时，应标明其内容。对于危险化学品，在转移或分装后的容器上应贴安全标签；(2)盛装危险化学品的容器在未净化处理前，不得更换原安全标签。

Evidence



[NC-No safety label.JPG](#)



* PDF generated at 02:46 (UTC) on 17 Dec 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601170441

Non-compliance

Due 2025-12-06

Code area

3 Working conditions are safe and hygienic

Status

Closed (2025-12-17)*

[← Code area 3](#)

[Code area 4 →](#)

Workplace requirement

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

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

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

Area of non-compliance/non-conformance

Local law

Description

It was noted that there was no anti-leakage facility (e.g. secondary container) in production workshop for 5 out of 10 barrels of hazardous chemical such as cutting oil and thinner. 审核员发现工厂没有为存放在生产车间的5/10桶危险化学品比如切削油，天那水设置防渗漏设施/二次容器。

Corrective and preventative actions

It is recommended that management adopt practices and controls to ensure that the anti-leakage facility (e.g. secondary container) is used for hazardous chemicals. 建议工厂为存放的危险化学品设置防渗漏设施/二次容器。

Local law reference

In accordance with article 20 of Regulation for Safety of Hazardous Chemical, an entity producing or storing hazardous chemicals shall, according to the category and dangerous properties of the hazardous chemicals it produces or stores, set up monitoring, controlling, ventilation, sun-proof, temperature-controlled, fireproof, firefighting, blast-proof, pressure discharging, poison-proof, neutralizing, moisture-proof, lightening-proof, static-proof, antisepsis, and anti-leakage safety facilities or equipment, such as protection dams and segregated operations, etc. at the work places, and maintain them on a routine basis according to the national standards, industrial standards or relevant state provisions so as to guarantee the normal functioning thereof. 根据《危险化学品安全管理条例》第20条 生产、储存危险化学品的单位，应当根据其生产、储存的危险化学品的种类和危险特性，在作业场所设置相应的监测、监控、通风、防晒、调温、防火、灭火、防爆、泄压、防毒、中和、防潮、防雷、防静电、防腐、防泄漏以及防护围堤或者隔离操作等安全设施、设备，并按照国家标准、行业标准或者国家有关规定对安全设施、设备进行经常性维护、保养，保证安全设施、设备的正常使用。

Evidence

[← Code area 3](#)

[Code area 4 →](#)



[NC-No secondary
container.JPG](#)



* PDF generated at 02:46 (UTC) on 17 Dec 2025. [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, qualified safety officer
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	Yes
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	Yes Workers handled hazardous chemicals such as hexane, cleaning agent, etc.
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Not applicable
Who organises worker transportation while at work?	Not applicable
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable No additional structural noted.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

[← Code area 3](#)

[Code area 4 →](#)

Does the site have a structural engineer evaluation? Yes

4. Child labour shall not be used

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about child labour issues, which met all Workplace Requirements in this code area. The Policy made reference to the Hiring Procedure, which outlined the key mechanisms in place for preventing child labour and the placement of young workers in unsuitable positions. This procedure included provision for all employees. The Remediation Procedure outlined processes and responsibilities, including financial, for undertaking remediation.

Resources

A Senior Director was named within the Child Labour Prevention and Remediation Policy as ultimately responsible for ensuring its resourcing, approval and regular review. HR was allocated responsibility to implement the Hiring Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The Child Labour Prevention and Remediation Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the Hiring Procedures was mandatory for all HR staff processing applications or onboarding. However, some employees were not familiar with related child labour policies.

Monitoring

Responsibilities for monitoring implementation of age verification were defined by the Hiring Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory conducted internal audit annually and monitored all suppliers to make sure no child labour was used in the factory or its suppliers. According to the employees' ID numbers in the factory name list, the youngest worker was 21 years old. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

[← Code area 3](#)

[Code area 5 →](#)

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>The factory established a policy that they would never employ or use any child labor under the age of 16 years old. The factory would verify all workers' original ID cards at the time of recruitment and would keep the photocopies of workers' ID cards in the personnel files. Employees' personal files were provided for review. Employee file included photos and age documentation. There were remediation and safeguarding procedures of underage workers (in line with ILO guidance). Once child labour was detected, immediate and strict actions would be taken to remedy the situation in accordance the procedures and applicable laws.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Child labor, young worker policy and remediation plan review 2.Hiring policy and procedure 3.Personnel files and employment contracts 4.Age documents review 5.Management interview 6.Worker interview 		

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	3%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	21
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

[← Code area 4](#)

[Code area 5 →](#)

5. Legal wages are paid

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about wage and benefits issues, which met all Workplace Requirements in this code area. The Policy made reference to the wage and benefits Procedure, which outlined the key mechanisms in place to ensure all employees were paid at least the legal minimum wage and benefits. This procedure included provision for all employees.

Resources

A Senior Director was named within the Wage and Benefits Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the Wage and Benefits Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The Wage and Benefits Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the Wage and Benefits Procedures was mandatory for all HR staff processing applications or onboarding. However, systematic ineffective training and communication of procedures to employees were noted during the audit process. Some employees represented that they might come back to their hometown anytime and they were unwilling to afford the insurance fee on their parts.

Monitoring

Responsibilities for monitoring implementation of wage and benefits were defined by the Wage and Benefits Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. However, it was noted that the monitoring for employees was ineffective and it had led to systematic findings.

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 ZAF601156390
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>The auditors selected 10 wage and working hour samples from random month Jan 2025, 10 wage and working hour samples from random month Jul 2025, 10 wage and working hour samples from current paid month Sep 2025. Per payroll registers and employees & management interview, employees' wages were calculated by hourly rate and paid by bank transfer before the 20th of next month. All sampled workers were paid at least RMB 15 per hour, which was no less than the legal requirement RMB 1900 per month or RMB 10.92 per hour before Mar 2025 and RMB 2080 per month or RMB 11.95 per hour since Mar 2025. All employees were paid 150% and 200% of normal wage for overtime worked on weekdays and weekends. No overtime worked on statutory holidays was noted in the factory.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Wage and compensation policy review 2.Wage and benefit records review 3.Social insurance records review 4.Leave records review 5.Resignation records review 6.Local minimum wage notification 7.Employment contracts 8.Management representation 9.Employee interview 10.Production records for cross checking 		

Findings: non-compliances

ZAF601156390

Non-compliance

Due 2022-12-09

Code area	Status
5 Legal wages are paid	Open*
Workplace requirement	Time given to resolve
5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.	60 days
Issue title	Verification method
423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic	Follow up audit
Description	Area of non-compliance/non-conformance
<p>It was noted that the factory's social insurance coverage was insufficient. According to the social insurance payment receipt provided by factory management, it was noted that only 12 out of 36 employees were provided with pension, unemployment, accident, medical and maternity insurance in Oct 2025. In addition, the factory provided commercial accident insurance for 21 employees with a valid period from Aug 09, 2025 to Aug 08, 2026. 审核员发现工厂的社会保险覆盖不足。根据厂方提供的2025年10月社会保险缴费单据显示工厂仅为12/36 名员工提供养老，失业，工伤，医疗和生育保险。另外，工厂为21名员工提供商业意外保险，有效期为2025年08月09日到2026年08月08日。</p>	Local law
Description (carried over)	
<p>It was noted that the factory's social insurance coverage was insufficient. According to the social insurance payment receipt provided by factory management, it was noted that only 13 out of 25 employees were provided with accident, maternity, medical, pension and unemployment insurance in Oct 2024. In addition, the factory provided commercial insurance for 15 employees, valid from August 9, 2024 to August 8, 2025. 审核员发现工厂的社会保险覆盖不足。根据厂方提供的2024 年10月社会保险缴费单据显示工厂仅为13/25 名员工提供养老，医疗，生育，工伤及失业保险。另外，工厂为15 名员工提供商业保险，有效期为2024 年8 月9日到2025 年8 月8 日。</p>	
Corrective and preventative actions	
<p>It is recommended that factory management adopt practices and controls to ensure that employees receive all of their statutory welfare entitlements. 建议工厂为员工提供所有法定的社会保险福利。</p>	

[← Code area 5](#)

[Code area 5.A →](#)

Corrective and preventative actions (carried over)

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

Local law reference

In accordance with Article 73 of the Labor Law of the People's Republic of China, employees shall, in accordance with the law, be entitled to social insurance benefits under the following circumstances: (1) retirements; (2) illness or injury; (3) disability caused by work-related injury or occupational disease; (4) unemployment; and (5) maternity. The survivors of the insured laborers shall be entitled to subsidies for survivors in accordance with the law. The conditions and standards for laborers to enjoy social insurance benefits shall be stipulated by laws, rules and regulations. The social insurance amount that laborers and entitled to, must be timely paid in full amount. In accordance with Article 33 of Social Insurance Law of the People's Republic of China (2018 Amendment), employees shall participate in work-related injury insurance, and the employer shall pay the work-related injury insurance premium. Employees shall not pay the work-related injury insurance premium. 根据《中华人民共和国劳动法》第73条：劳动者在下列情形下，依法享受社会保险待遇：(一)退休；(二)患病、负伤；(三)因工伤残或者患职业病；(四)失业；(五)生育。劳动者死亡后，其遗属依法享受遗属津贴。劳动者享受社会保险待遇的条件和标准由法律、法规规定。劳动者享受的社会保险金必须按时足额支付。根据《中华人民共和国社会保险法》第33条，职工应当参加工伤保险，由用人单位缴纳工伤保险费，职工不缴纳工伤保险费。

Evidence

序号	险种名称	缴费基数	缴费比例	缴费人数	缴费基数	缴费金额	备注
1	基本养老保险	2025.12	16%	12	17,500.00	2,800.00	
2	基本医疗保险	2025.12	8%	12	17,500.00	1,400.00	
3	失业保险	2025.12	0.5%	12	17,500.00	105.00	
4	工伤保险	2025.12	0.2%	12	17,500.00	42.00	
5	生育保险	2025.12	0.8%	12	17,500.00	140.00	
6	住房公积金	2025.12	7%	12	17,500.00	1,400.00	
7	合计	2025.12		12	17,500.00	5,787.00	



[NC-Insufficient social insurance coverage.JPG](#)

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5. Legal wages are paid

Data points

What is the basic wage paid to workers?	Wages are based on job skills and experience The legal minimum wage Wages meet a living wage
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Only digital payments
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None

Worker remuneration

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

Summary information

Is legal wage/legally recognised CBAs data available for any of these options?	Monthly	
Is actual wage data available on site for any of these options?	Monthly	
Maximum legal working hours	Max hours per day	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable

[← Code area 5](#)

[Code area 5.A →](#)

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	52.0
Minimum legal wage	Min per hour	11.95
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	2080.0
Actual minimum wage	Actual per hour	15.0
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable
Minimum legal overtime wage	Min per hour	17.93
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable

[← Code area 5](#)

[Code area 5.A →](#)

Actual minimum overtime wage	Actual per hour	22.5
	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 random month Jan 2025 10 samples from random month Jul 2025 10 samples from the current paid month of Sep 2025
Are there different legal minimum/legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Above legal minimum
Indicate the breakdown of workforce per earnings	100% of workforce earned above legal minimum wage
Are there any bonus schemes used?	Yes Position allowance, full attendance bonus, etc.
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	<p>Current systems:</p> <p>Facility had a policy to ensure that all workers were paid living wages. The factory fully calculated the living wage and provided relevant instructions to the employees. The calculation method was one of the six benchmarks and aligns with the ILO's ten principles. Facility had conducted a living wage gap analysis assessing the actual wages paid to workers against Full-Fledged Anker Methodology. Basic wage RMB 2610 plus allowance RMB 1600 equals to RMB 4210, which were higher than the living wage of RMB 2880.93. And The program had covered the entire workforce. Factory director had been appointed to be responsible for living wages. Facility communicated the policy to all employees including managers & supervisors.</p> <p>Evidence examined</p> <ol style="list-style-type: none"> 1. Local and national laws 2. Wages and benefits policy 3. Local legal minimum wage documents 4. Living wage assessment records 5. Payroll records 6. Labour contracts 7. Worker interview 		

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Fundamental Improvements Required
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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about working hour issues. The Policy made reference to the working hour Procedure, which outlined the key mechanisms in place for preventing excessive working hours. This procedure included provision for all employees.

Resources

A Senior Director was named within the working hour Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the working hour Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence. However, factory prioritized production orders over working hours regularly.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The working hour Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the working hour Procedures was mandatory for all employees. However, most employees would like more overtime working hours so that they could earn more overtime wage.

Monitoring

Responsibilities for monitoring implementation of working hours were defined by the Hiring Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. However, the monitoring was ineffective because systematic monthly overtime working hours were noted.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601156391

[← Code area 5.A](#)

[Code area 7 →](#)

Systems and evidence examined to validate this code section

Current systems:

Factory adopted an IC card attendance system to record workers' working time. Per factory management interview and employees' interview, all employees ran one shift from 8:00 to 12:00, 13:30 to 17:30 with lunch break from 12:00 to 13:30. The sampled workers' maximum overtime working hours were 2 hours per regular day, 52 hours per month. The maximum total working hours per week was 54 hours. The longest consecutive working period were found 6 days.

Evidence examined:

1. Employee interview
2. Management interview
3. Local and national laws
4. Factory policy on working hours
5. Working hour arrangement
6. Computerized time logging system
7. Sample pay slips with recorded hours all workers interviewed
8. Workers' contracts
9. 12 months' working hour records to establish highest and lowest hours over all employees
10. Quality and production records to cross check hours

Findings: non-compliances

ZAF601156391

Non-compliance

Due 2022-12-09

Code area	Status
6 Working hours are not excessive	Open*
Workplace requirement	Time given to resolve
6.F Ensure that where overtime is used, it is in order to manage changes in demand or in exceptional circumstances and not used to replace regular employment.	60 days
Issue title	Verification method
480 - Overtime is not used responsibly (i.e. extent, frequency and level of hours worked by individual workers and/or whole workforce are excessive)	Follow up audit
Description	Area of non-compliance/non-conformance
	Local law

It was noted that 20 out of 30 sample population employees worked in excess of the statutory overtime hour limits (no more than 36 overtime hours per month). A review of the sample population employees’ time records (10 samples from random month Jan 2025, 10 samples from random month Jul 2025 and 10 samples from the current paid month of Sep 2025) yielded the following: (1) In Jul 2025, 10 out of 10 sample population employees worked 52 overtime hours; (2) In Sep 2025, 10 out of 10 sample population employees worked 50 overtime hours. 月加班时间超过法规要求。根据厂方提供的工时记录，审核员发现20/30名抽样中员工加班时间超出了法定标准（每月加班时间不能超过36小时）。审核员抽取30个样本(从随机月2025年1月，随机月2025年7月和最近工资支付月2025年9月各抽取10个样本)，具体为：（1）2025年7月，10/10名员工的月加班时间为52小时；（2）2025年9月，10/10名员工的月加班时间为50小时。

Description (carried over)

It was noted that 20 out of 30 sample population employees worked in excess of the statutory overtime hour limits. A review of 30 sample population employees’ time records (10 samples from February 2024, Aug 2024 and Sep 2024 respectively) yielded the following: • 10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 66 to 68 hours hours) in Sep 2024, which was not in compliance with the legal requirement; • 10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 82 to 84 hours) in Aug 2024, which was not in compliance with the legal requirement. 根据厂方提供的工时记录，审核员发现员工加班时间超出了法定标准。审核员从厂方提供的工资工时记录中共抽取30个样本(其中从2024年2月，从2024年8月，从2024年9月各抽取10名)，发现有员工加班时间超出了法定标准，具体为：•10/10名员工在2024年8月的加班时间为82到84小时，超过法规允许最大36小时的规定；•10/10名员工在2024年9月的加班时间为66到68小时，超过法规允许最大36小时的规定。

[← Code area 6](#)

[Code area 7 →](#)

Corrective and preventative actions

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

Corrective and preventative actions (carried over)

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

Local law reference

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

Evidence

东莞市鑫鑫五金制品有限公司											
考勤日报											
日期	员工编号	员工姓名	时间1	时间2	时间3	时间4	时间5	时间6	时间7	时间8	时间9
2025-09-01			07:30	12:00	13:30	17:30					
2025-09-02			07:30	12:00	13:30	17:30					
2025-09-03			07:30	12:00	13:30	17:30					
2025-09-04			07:30	12:00	13:30	17:30					
2025-09-05			07:30	12:00	13:30	17:30					
2025-09-06			07:30	12:00	13:30	17:30					
2025-09-07			07:30	12:00	13:30	17:30					
2025-09-08			07:30	12:00	13:30	17:30					
2025-09-09			07:30	12:00	13:30	17:30					
2025-09-10			07:30	12:00	13:30	17:30					
2025-09-11			07:30	12:00	13:30	17:30					
2025-09-12			07:30	12:00	13:30	17:30					
2025-09-13			07:30	12:00	13:30	17:30					
2025-09-14			07:30	12:00	13:30	17:30					
2025-09-15			07:30	12:00	13:30	17:30					
2025-09-16			07:30	12:00	13:30	17:30					
2025-09-17			07:30	12:00	13:30	17:30					
2025-09-18			07:30	12:00	13:30	17:30					
2025-09-19			07:30	12:00	13:30	17:30					
2025-09-20			07:30	12:00	13:30	17:30					
2025-09-21			07:30	12:00	13:30	17:30					
2025-09-22			07:30	12:00	13:30	17:30					
2025-09-23			07:30	12:00	13:30	17:30					
2025-09-24			07:30	12:00	13:30	17:30					
2025-09-25			07:30	12:00	13:30	17:30					
2025-09-26			07:30	12:00	13:30	17:30					
2025-09-27			07:30	12:00	13:30	17:30					
2025-09-28			07:30	12:00	13:30	17:30					
2025-09-29			07:30	12:00	13:30	17:30					
2025-09-30			07:30	12:00	13:30	17:30					



[NC-Monthly overtime working exceed legal requirement.png](#)

* PDF generated at 02:46 (UTC) on 17 Dec 2025. [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?	N/A. The site paid more than 125% OT premium.
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	52.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	54.0
Maximum number of days worked without a day off in sample	6

[← Code area 6](#)

[Code area 7 →](#)

7. No discrimination is practiced

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about discrimination issues, which met all Workplace Requirements in this code area. The Policy made reference to the Discrimination Procedure, which outlined the key mechanisms in place for preventing discrimination, taking particular consideration of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. Factory made gender equity approach in recruitment, training, development and promotion processes. This procedure included provision for all employees.

Resources

A Senior Director was named within the discrimination Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the discrimination Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The discrimination Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the discrimination Procedures was mandatory for all employees. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of no discrimination were defined by the discrimination Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 6](#)

[Code area 8 →](#)

No findings

Systems and evidence examined to validate this code section

Current systems:

Factory established anti-bias policy and optimization procedures to provide equal opportunities for talents of different genders including race, caste, national origin, religion, age, disability, marital status, sexual orientation, union membership, political affiliation. At the same time, factory made gender equity approach in recruitment, training, development and promotion processes. This procedure included provision for all employees and specified a gender equity action plan. Factory assessed the barriers faced by different genders, and intersectional groups, and develop specific strategies to enable fair progression and access to opportunities. In terms of training and development, the initiative focused on offering fair growth resources to all employees, supporting their professional advancement. The promotion mechanism emphasized transparency and fairness, ensuring that gender did not become a barrier to compensation, training, career progression, etc.

Evidence examined:

- 1.The hiring, compensation, access to training, promotion, termination or retirement policies
- 2.Anti-discrimination policy, gender equity policy and social accountability manual
- 3.Risk assessments undertaken
- 4.Training records on discrimination and for identified relevant staff
- 5.Recruitment records
- 6.Job adverts
- 7.Records of terminations
- 8.Wage records
- 9.Training records for all workers

[← 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)?	40%
Representation of women in managerial roles (ratio of women workers to women managers)	6%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	13%
Three most common nationalities in managerial and supervisory roles	Chinese

8. Regular employment is provided

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about regular employment issues, which met all Workplace Requirements in this code area. The Policy made reference to the regular employment Procedure, which outlined the key mechanisms in place for the terms and conditions of employment in in cases of dismissal, termination or redundancy. This procedure included provision for all employees.

Resources

A Senior Director was named within the regular employment Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the regular employment Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The regular employment Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the regular employment Procedures was mandatory for all HR staff processing applications or onboarding. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of employment were defined by the regular employment Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 7](#)

[Code area 8.A →](#)

No findings

Systems and evidence examined to validate this code section

Current systems:

The factory signed labor contracts with all workers to establish the employment relationship and confirm the rights and obligations of the employment conditions. According to worker interview, the factory gave a copy to them after signing contract.

Evidence examined:

- 1.Hiring and termination procedure review
- 2.Personal files
- 3.Labour contracts
- 4.Payroll records
- 5.Management interview
- 6.Worker interview

[← 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%

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about sub-contracting and homeworker issues, which met all Workplace Requirements in this code area. The Policy made reference to the sub-contracting and homeworker Procedure, which outlined the key mechanisms in place for preventing sub-contracting and homeworker. This procedure included provision for all employees.

Resources

A Senior Director was named within the sub-contracting and homeworker Policy as ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team and production manager was allocated responsibility to implement the sub-contracting and homeworker Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The sub-contracting and homeworker Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the sub-contracting and homeworker Procedures was mandatory for all Corporate Social Responsibility staff. A training matrix utilized by CSR team ensured that there was a very low chance of gaps in regards to this training. Electroplating process was subcontracted to another factory. No homeworker in the factory. Some ineffective training and communication of procedures were noted during the audit process and few employees were not familiar with sub-contracting and homeworker.

Monitoring

Responsibilities for monitoring Sub-contracting and homeworker were defined by the Sub-contracting and homeworker Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

[← Code area 8](#)

[Code area 9 →](#)

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>Per factory tour, it was noted that the production processes except for electroplating were complete in the factory, which was verified through the factory tour and interview. The auditor also checked production records and materials in-and-out records. Per factory tour, employee interview, and document review, it was also noted that no homeworking was noted.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Production process map 2. Approved supplier list 3. Factory Tour 4. Management interview 5. Worker interview 6. Materials in/out record, production records 		

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
Factory had established a site policy to make sure their suppliers were properly monitored and did not use homeworkers.

Sub-contracting

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

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used?	Yes	
Sub-contractor 1	Processes subcontracted	Electroplating
	Name of factory	Dongguan Hongheng Hardware Technology Co., Ltd.
	Address	No. 8, First Industrial Road, Liuyongwei, Wanjiang Sub-district, Dongguan City, Guangdong Province
	Dates used	Oct 27, 2025

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	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about Disciplinary Procedure, which met all Workplace Requirements in this code area. The Policy made reference to the Hiring Procedure, which outlined the key mechanisms in place for preventing harsh or inhumane treatment of workers. This procedure included provision for all employees.

Resources

A Senior Director was named within the Disciplinary Procedure was ultimately responsible for ensuring its resourcing, approval and regular review. The Corporate Social Responsibility team was allocated responsibility to implement the Disciplinary Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The Disciplinary Procedure was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the Disciplinary Procedure was mandatory for all employees. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of discipline were defined by the Disciplinary Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

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:

The factory established anti-harsh or inhumane treatment policy. The policy stated that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. Through the factory management and workers' interview, it was noted that no physical abuse or discipline happened in the factory and the disciplinary procedure of the factory is verbal warning and education.

Evidence examined:

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

9. No harsh or inhumane treatment is allowed

Data points

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

10.A. Environment 2-Pillar

Management systems

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

Management systems

Explanation for management systems grades

Policies

Facility established written policies and procedure which specified responsibilities and processes about environment issues, which met all Workplace Requirements in this code area. The Policy made reference to the environment Procedure, which outlined the key mechanisms in place for maintaining sustainable environment protection. This procedure included provision for all employees.

Resources

A Senior Director was named within the environment Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Environmental specialist was allocated responsibility to implement the environment Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team and environmental specialist. The environment Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the environment Procedures was mandatory for all employees. A training matrix utilized by CSR team and environment specialist ensured that there was a very low chance of gaps in regards to this training. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of environment issues were defined by the Environment Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 9](#)

[Code area 10.B →](#)

No findings

Systems and evidence examined to validate this code section

Current systems:

The factory had learned about the environment impact of their site and they had been taking continuously management measures to control the environment impact. The factory management maintained all legally required environmental documents in place and they followed related environmental regulations. There was a manager assigned to be responsible for environmental issues to monitor and improve environmental protection.

Evidence examined:

- 1.Factory tour
- 2.Environmental policy
- 3.Environmental training records
- 4.Environmental impact documents
- 5.Hazardous waste disposal contract
- 6.Hazardous waste transferred records
- 7.Worker interview
- 8.Management interview

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?	N/A - No such certificate obtained.
Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?	No
Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?	Yes Factory had an environment policy that required detailed environmental regulations to protect environment and workers.

[← Code area 10.A](#)

[Code area 10.B →](#)

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current systems:</p> <p>The factory had environment policy and procedure; employees were trained on environmental protection. The factory has set environmental targets to use resources more environmentally friendly. The factory continuously monitored water and energy consumption and had policies and plans to reduce consumption.</p> <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Factory tour 2.Environmental policy 3.Environmental training records 4.Environmental impact documents 5.Hazardous waste disposal contract 6.Hazardous waste transferred records 7.Energy and water usage records 8.Worker interview 9.Management interview 		

[← 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?	Responsible use and management of water Prioritising local suppliers Packaging optimization
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes There was a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	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 Facility had checked sub-contracting agencies or business partners and required appropriate permits and licenses.

Usage/discharge analysis

Last full calendar year (2024)	Previous full calendar year (2023)
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[← Code area 10.B](#)

[Code area 10.C →](#)

Total electricity consumption from non-renewable sources (kWh)	90,066	92,600
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Other (provide details)	Other (provide details)
	No renewable energy used in the factory.	No renewable energy used in the factory.
Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	0	0
Has the site completed any carbon footprint analysis?	No	No
Water sources	Local municipal corporation water supply	Local municipal corporation water supply
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	352	442
Water discharged	Sewage pipe	Sewage pipe
Water volume discharged (m3)	290	360
Water volume recycled (m3)	0	0
Total waste produced (mt)	3	2.7
Total hazardous waste produced (mt)	0.2	0.2

[← Code area 10.B](#)

[Code area 10.C →](#)

Waste to recycling (mt)	2	1.2
Waste to landfill (mt)	0	0
Waste to other (mt)	1	1.5
Total product produced (mt)	15	15.5

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

Policies

Facility established written policies and procedure which specified responsibilities and processes about Business ethics issues, which met all Workplace Requirements in this code area. The Policy made reference to the Business ethics Procedure, which outlined the key mechanisms in place for preventing bribery, corruption, unethical, or any type of fraudulent or unethical business practices. This procedure included provision for all employees.

Resources

A Senior Director was named within the Business ethics Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Corporate Social Responsibility team was allocated responsibility to implement the Business ethics Procedure in named areas, which included all areas of the business. Procedures were in place for interim responsibility in the case of position change or absence.

Training

Training at site was governed by a training procedure which was the specific responsibility of the Corporate Social Responsibility team. The Business ethics Policy was available and communicated to all employees, and there was general awareness of it amongst staff interviewed. Training on the Business ethics Procedures was mandatory for all employees. A training matrix utilized by CSR team ensured that there was a very low chance of gaps in regards to this training. However, ineffective training and communication of procedures to few new employees were noted during the audit process.

Monitoring

Responsibilities for monitoring implementation of business ethics issues were defined by the Business ethics Procedure. The procedure required that the Corporate Social Responsibility team conducted verification and kept records. Any identification of misapplication of procedures, or concerns about application were escalated for action in the periodic team meetings. Factory provided annual internal assessment and regular verification record for review. It supported the factory identifying what changes could be made to improve sustainable compliance over time.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 10.B](#)

No findings

Systems and evidence examined to validate this code section

Current systems:

Facility had made an anti-bribery and ethics policy. Facility provided training on antibribery to the staff having job profile related to the area of ethical business practice. Facility also conducted business ethically without any use of bribery, corruption or any other type of fraudulent business practices.

Evidence examined:

- 1.Management interview
- 2.Anti-bribery policy
- 3.Training records
- 4.Appointment letter for the responsible person

[← 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	Factory made an anti-bribery and ethics policy. The policy required that all facility employees and business partners must conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

[← Code area 10.C](#)

Attachments



[Time recording system.JPG](#)



[Toilet.JPG](#)



[Suggestion box.JPG](#)



[PPE.JPG](#)



[Fire alarm.JPG](#)



[Factory name.JPG](#)



[Exit sign and emergency light.JPG](#)



[Drinking water.JPG](#)



[Audible fire alarm.JPG](#)



[Warehouse.JPG](#)



[Door plate.JPG](#)



[P-Cleaning.JPG](#)



[P-Polishing.JPG](#)



[Fire extinguishers.JPG](#)



[First aid kit.JPG](#)



[Evacuation plan.JPG](#)



[Fire hydrant.JPG](#)



[Factory gate.JPG](#)



[Chemical storage cabinet.JPG](#)



[Eye washing facilities.JPG](#)



[P-Cutting.JPG](#)



[Factory production building.JPG](#)



[P-Assembly, Inspection and Packing.JPG](#)



[P-Punching.JPG](#)



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