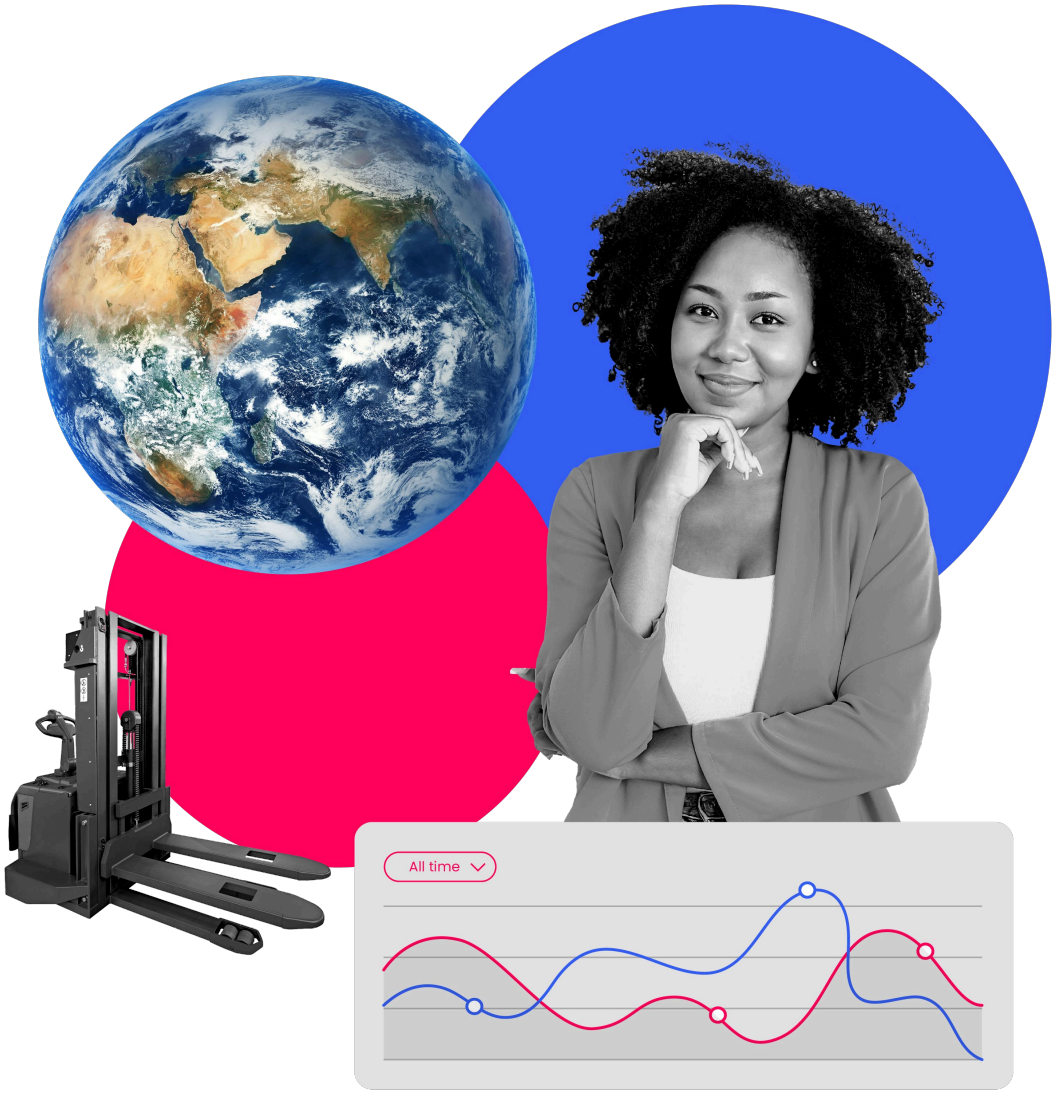
SMETA
powered by Sedex

Sedex Members Ethical Trade Audit Report

Version 7



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

Contents

Audit content

Audit details

SMETA declaration

Summary of findings

Management systems

Site details and data points

- Site details
- Worker analysis
- Worker interviews
- Measure workplace impact
- 0. Enabling accurate assessment
- 1. Employment is freely chosen
- 1.A. Responsible recruitment and entitlement to work
- 2. Freedom of association and right to collective bargaining are respected
- 3. Working conditions are safe and hygienic
- 4. Child labour shall not be used
- 5. Legal wages are paid
- 5.A. Living wages are paid
- 6. Working hours are not excessive
- 7. No discrimination is practiced
- 8. Regular employment is provided
- 8.A. Sub-contracting and homeworkers are used responsibly

9. No harsh or inhumane treatment is allowed

10.A. Environment 2-Pillar

10.B. Environment 4-Pillar

10.C. Business ethics

Attachments

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

← Contents

Findings →

Audit details

Site details

Sedex site reference	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	2026-10-19	**Audit conducted by**	Siqiong Yi
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

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

Audit type	Periodic

← Contents

Findings →

Was the audit announced?	Semi announced
Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Ms. Xiao Xu / Managerment representative
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

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

← Contents

Findings →

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	This was a semi-announced audit with audit window from OCT 15, 2026 to NOV 12, 2026.

Lead auditor	Siqiong Yi	**APSCA Number**	21701671
Additional auditor			
Date of declaration	2026-10-20		

← Contents

Findings →

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Ms. Xiao Xu
Title	Managerment representative
Date of declaration	2026-10-20

← Contents

Findings →

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 Base code	NC ZAF601664460
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601664461
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601664462
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601650070
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601650071

← Contents

Management systems →

Management systems

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

✕ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

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

 Not addressed

 Fundamental improvements required

 Some improvements recommended

 Robust management systems

← Summary of findings

Site details →

Site details

Company and site details

Sedex company reference	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	**GPS address**	101, 2nd Building, No. 2, Zhen Rong Road, Wu Sha, Chang An Town, Dong Guan City, Guang Dong Province.
	Coordinates	Latitude: 22°47′8″ Longitude: 113°47′17″
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Ms. Xiao Xu
	Job title	Admin Manager
	Phone number	0769-85078626
	Email	sophia@cufflinks-ah.com
Applicable business and other legally required business license numbers and documents	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	
Site activities	**Primary**	Manufacture of jewellery and related articles
	Secondary	
	Other	
Product type	Metal jewellery	
Process overview	Product: Metal jewellery Main operations: Cutting, Punching, Polishing, Cleaning, Assembly, Inspection and Packing. There were 2 production lines in the factory. Main machines: Cutting machines, punching machines, polishing machines, cleaning machines, etc.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	No 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.

← Management systems

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 provided No related local law requirement. Employees lived near the factory and they organized their own transportation to the worksite.

← Site details

Worker analysis →

Work patterns

Approximate workers on site per month (% of peak)	**January**	80-90%	**February**	80-90%
	March	90-100%	**April**	90-100%
	May	90-100%	**June**	90-100%
	July	90-100%	**August**	90-100%
	September	90-100%	**October**	90-100%
	November	90-100%	**December**	90-100%

Is there any night shift work at the site?	No

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	No
Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	Yes The site had assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No There was no Human Rights Impact Assessment (HRIA) conducted within the last three years at this site.

← Site details

Worker analysis →

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	10 *(47.6%)*	11 *(52.4%)*	- -	21 *(100%)*

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	10 *(47.6%)*	11 *(52.4%)*	- -	21 *(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	9 *(47.4%)*	10 *(52.6%)*	- -	19 *(90.5%)*
International migrant workers	0 -	0 -	- -	0 *(0%)*
Total migrant workers	9 *(47.4%)*	10 *(52.6%)*	- -	19 *(90.5%)*

* % of total workforce

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

Workers by age

	Men	Women	Other	Total
18 - 24 years old	1 *(33.3%)*	2 *(66.7%)*	- -	3 *(14.3%)*
15 - 17 years old	0 -	0 -	- -	0 *(0%)*
Under 15 years old	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Worker analysis

Worker interviews →

Is the worker analysis data relevant for peak season and current to the audit?	No
Describe how this may vary during peak periods	N/A. There was not any obvious peak season in the factory.
Please list the nationalities of all workers, with the three most common nationalities listed first	Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	48%	52%	-	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	10 *(47.6%)*	11 *(52.4%)*	- -	21 *(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	10 *(47.6%)*	11 *(52.4%)*	- -	21 *(100%)*
Other	0 -	0 -	- -	0 *(0%)*

* % of total workforce

If other payment cycle entered, please provide details	N/A. There was no other payment cycle entered.

People in managerial, supervisorial and administrative roles

	Men	Women	Other	Total
Employees in management positions	0 *(0%)*	1 *(100%)*	- -	1
Supervisors or team leaders	1 *(100%)*	0 *(0%)*	- -	1
Administrative staff	3 *(27.3%)*	8 *(72.7%)*	- -	11

← 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) All workers interviewed had a positive attitude to the management and the site.
What did the workers like the most about working at this site?	Freedom of movement Pay
Additional comments	The workers were assured of confidentiality and spoke freely of their views concerning the factory. All workers said they were satisfied with their employment at the factory. They were able to make suggestions to their supervisors or worker representatives by writing letters to the suggestion box. They felt able to complain to their supervisors or worker representatives directly but also felt free to express their general concerns. All workers said they were satisfied with working conditions and current wages. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. They said they could obtain the job based on their work experience and abilities. The female workers or male workers' wages were calculated at the same rate if they engaged in same work. Apart from the 10 workers interviewed listed in the worker analysis table, another 4 employees including management staff were interviewed for business ethics and environment aspect since this was a 4-pillar audit.
Attitude of workers' committee/union representatives	No worker union was established but a worker committee was available in the factory. The worker representative said factory managements were care about workers and paid more attention to deal with workers' suggestion or complaint. They are friendly to workers as well as the worker representatives. And they can give suggestions on all aspects of the site operation. In general, the worker representative was satisfied with the working condition and management style in the factory.

← Worker analysis

Measuring workplace impact →

Attitude of workers

Attitude of managers	The factory management showed cooperation and transparency during the visit. Auditor gained full access to factory tour, document review and interviews with management members and workers. The factory management had a system in place to check their current practices against their clients' requirements and the local law. They had implemented a Health & Safety committee to take care of health and safety concerns. All requested documents and records were provided in a timely manner. The factory agreed that the auditor took photos and copy relevant documents or records in the factory. The factory agreed that the auditor conducted confidential interviews with employees who were chosen freely without any influence by the factory.

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

← Worker analysis

Measuring workplace impact →

Workers interviewed by group/individual

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	4	4	-	8
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	4	4	-	8

← Worker interviews

Measuring workplace impact →

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	10.0%	10.0%	-	20.0%
Last full calendar year (2025)	20.0%	10.0%	-	30.0%
Previous full calendar year (2024)	20.0%	10.0%	-	30.0%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2025)	2.0%	2.0%	-	4.0%
Previous full calendar year (2024)	2.0%	2.0%	-	4.0%

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?	No Accidents logs were provided for review during the audit.There was no accident happened in the past year.

← Worker interviews

Code area 0 →

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

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

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

Lost day work cases (per 100 workers)*

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

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

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

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

← Worker interviews

Code area 0 →

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

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

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

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

← Measuring workplace impact

Code area 0 →

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current Systems: 1. The factory gave full access to the auditor to complete all auditing steps including document review, management interview, worker interview, factory tour, and document review. No hints or evidence indicated that the workers were coached. 2. The factory did not bribe or threaten the auditor, nor in any way induce the auditor to be dishonest. 3. The factory profile declared prior to the audit matched the actual situation in the factory. 4. Human right policy statement confirmed by senior management was in place. And the human right policy was communicated to all employees. Regular training on human rights was provided to all employees with records maintained. Evidence examined: 1. Business license 2. Factory profile declared by the factory 3. Human right policy statement 4. Bulletin board 5. Human right training records 6. Worker handbook 7. Management interview and worker interview

← Measuring workplace impact

Code area 1 →

0. Enabling accurate assessment

Data points

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

← Code area 0

Code area 1 →

1. Employment is freely chosen

Management systems

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

← Code area 0

Code area 1.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory's Social Responsibility Management Manual and Employee Handbook fully meet all requirements governing free choice of employment within applicable laws. The site has developed comprehensive employment management procedures to eradicate forced labor, debt bondage, human trafficking and all forms of modern slavery. The facility respects workers' freedom of movement and external communication, with access restrictions and video surveillance limited strictly to legitimate safety and security needs, and staff shall not be intimidated or isolated. No worker's original identity documents will be retained by management; only voluntary, documented secure storage of personal belongings is provided. The factory will not withhold any portion of wages as deposits or sureties, nor will it create worker indebtedness through overpriced services, inflated interest rates or undervalued piece rates, and all loans and prepayments are negotiated mutually on reasonable terms. Employees are permitted to resign freely without penalty, with a notification period capped at one month, and all outstanding pay including holiday entitlements will be settled in full upon termination. Wages are disbursed on a monthly schedule in compliance with local law, and no unreasonable deductions or delayed payments will be made to obstruct staff resignation. Earnings will always meet the statutory minimum wage so long as working hours adhere to legal and collective bargaining rules. The factory conducts due diligence on third-party labor providers to mitigate risks of externally imposed forced labor and prepares remedial protection for any affected workers. All relevant local legal obligations for this section are strictly observed. However, the relevant policies and procedures lack key implementation details: the fixed review frequency is not clearly stipulated, and the designated person responsible (for routine document review) is also unspecified. 2) Resource Grade: Some Improvement Recommended Documents clearly delineate assigned responsibilities, establish standardized processes, and cover nearly all domains specified in the code. A senior manager, together with an operations manager, has been assigned responsibility for overseeing implementation—both managers are fully aware of their respective duties. They have completed extensive external training on social compliance systems and have applied the knowledge gained to develop practical, effective processes. Additionally, formal procedures are in place to arrange for interim responsibility coverage in the event of role changes or staff absences. However, while the personnel responsible have obtained written allocation of duties for this compliance section, the management framework still lacks granular operational requirements to guide routine supervision.

← Code area 0

Code area 1.A →

Management systems

3) Communication & Training:
Grade: Some Improvement Recommended
On-site staff training is managed under a formal written training procedure, which falls under the direct accountability of the Training Manager. Policies covering forced labor, human trafficking and the right to free resignation are distributed and communicated to all staff, and most interviewed workers demonstrate basic awareness of these rules. The factory delivers induction training for new hires and organizes annual refresher training for existing employees. However, awareness of provisions on forced labor and debt bondage remains insufficient among a small number of workers, which means the regular post-training comprehension assessment mechanism needs further improvement.

4) Monitoring:
Grade: Some Improvement Recommended
The factory conducts ongoing assessment of procedure implementation via routine on-site monitoring and scheduled internal social compliance audits, and targeted corrective actions are promptly implemented to address risks related to workers' free choice of employment. Workshop supervisors compile regular compliance monitoring reports and submit them to senior management, and a formal annual periodic internal audit plan for social compliance is maintained on site. The factory carries out regular monitoring activities covering this compliance area and records instances of improper implementation procedure. However, the monitoring framework lacks standardized preventive tracking mechanisms to avoid repeated deviation.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 0

Code area 1.A →

Systems and evidence examined to validate this code section	Current Systems: 1. Based on documents review, management and employee private interviews, no forced, bonded or involuntary prison labor was noted. 2. All sampled employees were not required to lodge “deposits” or their identity cards and were free to leave or resign after reasonable notice. 3. The factory did not detain any original documents such as ID Cards or Educational Certificates etc. 4. No verbal, physical and/or sexual abuse issues were noted. 5. The employees could leave the factory freely when the labor contract period ended or when they resigned with a period of prior notification time as legally allowed. 6. The employees could leave the factory when the work shifts end. Overtime working was voluntary. Evidence examined: 1. No forced labor policy/procedure 2. Personnel files 3. Resignation records 4. Factory rules 5. Employee handbook 6. Reward and punishment procedures and records 7. Management and worker interview

← Code area 0

Code area 1.A →

1. Employment is freely chosen

Data points

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

← Code area 1

Code area 1.A →

1.A. Responsible recruitment and entitlement to work

Management systems

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

← Code area 1

Code area 2 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory's Social Responsibility Management Manual and formal recruitment control procedures fully incorporate all legal and SMETA standards for responsible recruitment and legal work eligibility verification. The site has formulated complete standardized recruitment workflows to regulate identity verification, candidate information disclosure, recruitment cost bearing and minor labor screening during the hiring stage. All applicants' original photo identity documents are mandatorily checked at recruitment to confirm legal work rights for domestic workers, and standardized personnel files are retained permanently to retain ID copies as valid supporting records of legal employment qualifications. Since the factory adopts full direct recruitment without cooperating with any external employment agencies, no agency service agreements are signed, and relevant clauses for intermediary supervision, minor protection and recruitment fee reimbursement are not required. However, the relevant policies and procedures lack key implementation details: the fixed review frequency is not clearly stipulated, and the designated person responsible (for routine document review) is also unspecified. 2) Resource Grade: Some Improvement Recommended Documents clearly delineate assigned responsibilities, establish standardized processes, and cover nearly all domains specified in the code. A senior manager, together with an operations manager, has been assigned responsibility for overseeing implementation—both managers are fully aware of their respective duties. They have completed extensive external training on social compliance systems and have applied the knowledge gained to develop practical, effective processes. Additionally, formal procedures are in place to arrange for interim responsibility coverage in the event of role changes or staff absences. However, while the personnel responsible have obtained written allocation of duties for this compliance section, the management framework still lacks granular operational requirements to guide routine supervision. 3) Communication & Training: Grade: Some Improvement Recommended On-site staff training is managed under a formal written training procedure, which falls under the direct accountability of the Training Manager. Policies covering forced labor, human trafficking and the right to free resignation are distributed and communicated to all staff, and most interviewed workers demonstrate basic awareness of these rules. The factory delivers induction training for new hires and organizes annual refresher training for existing employees. However, awareness of

← Code area 1

Code area 2 →

Management systems

responsible recruitment provisions remains insufficient among a small number of workers,

4) Monitoring:
Grade: Some Improvement Recommended
The factory conducts ongoing assessment of procedure implementation via routine on-site monitoring and scheduled internal social compliance audits, and targeted corrective actions are promptly implemented to address risks related to workers' free choice of employment. Workshop supervisors compile regular compliance monitoring reports and submit them to senior management, and a formal annual periodic internal audit plan for social compliance is maintained on site. The factory carries out regular monitoring activities covering this compliance area and records instances of improper implementation procedure. However, the monitoring framework lacks standardized preventive tracking mechanisms to avoid repeated deviation.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 1

Code area 2 →

Systems and evidence examined to validate this code section	Systems examined: 1. The work performed was based on recognized employment relationship established through national law and practice. 2. The factory had signed labor contracts with employees. 3. All workers were hired by the factory directly. No agency workers were noted. 4. All workers were from China. No foreign workers were noted. 5. There was no homeworking from the site. 6. The factory ensured that the workers were entitled to equal opportunities to work and get promoted based on their skills and abilities. The workers were aware of the employment terms, including working conditions, benefits, payment, and job responsibilities. They were free from fees associated with recruitment. The factory didn't withhold their payment or personal certificates. Evidence examined: 1.Recruitment policy/procedure 2.Name list of employees 3.Labor contracts review 4.Personnel files 5.Management interview and worker interview

← Code area 1

Code area 2 →

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

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

Migrant workers

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

← Code area 1.A

Code area 2 →

Percentage of workers that are migrant	91%
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, Jiangxi.

Recruitment fees

Have any workers who started at this site in the last 12 months (new workers) paid any recruitment fees or associated costs, such as visas or travel, which have not been fully repaid?	No - all new workers were recruited locally by the site
Select 1 to 3 sending countries/regions of new workers. Record fees and costs in the following tables.	China

New workers totals

	China
Number of workers	8

Recruitment fees

	China
Payments made in exchange for work	-
Recruitment services which are not optional	-

← Code area 1.A

Code area 2 →

Recruitment fees

Other or uncategorised	✓

Related costs

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

Illegitimate costs

	China
Payments made to illegitimate actors involved in the recruitment process	-

← Code area 1.A

Code area 2 →

Illegitimate costs

Payments made to illegitimate actors during the course of employment	-
Other or uncategorised	✓

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

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

Highest total costs incurred

	China
Currency	CNY
Highest total costs incurred	0.0
Additional comments	No recruitment fees and costs paid by workers identified during worker interviews.

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

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory's management system and internal compliance procedures cover the core requirements for freedom of association and collective bargaining in line with local legal requirements. The factory has formulated standardized governance rules for employee rights expression and worker representative management. In compliance with domestic regulatory practice, a formal worker committee has been established as an alternative employee representative mechanism, with complete representative election records and regular committee meeting minutes maintained on site. The facility fully respects staff's right to freely associate, express opinions and communicate with management without interference, penalty or retaliation. All applicable local legal obligations regarding freedom of association are strictly observed. However, the relevant policies and procedures lack key implementation details: the fixed review frequency is not clearly stipulated, and the designated responsible person (for routine document review) is also unspecified. 2) Resource Grade: Some Improvement Recommended Documents clearly delineate assigned responsibilities, establish standardized processes, and cover nearly all domains specified in the code regarding freedom of association and worker representation management. A senior manager, together with an operations manager, has been assigned responsibility for overseeing the implementation of association-related compliance work, and both managers are fully aware of their respective duties. They have completed extensive external training on social compliance systems and have applied professional knowledge to formulate practical employee communication and representative management mechanisms. Additionally, formal procedures are in place to arrange for interim responsibility coverage in the event of role changes or staff absences. However, while the responsible personnel have obtained written allocation of duties for this compliance section, the management framework still lacks granular operational requirements to guide daily routine supervision of worker committee operation and staff rights protection. 3) Communication & Training: Grade: Some Improvement Recommended On-site staff training is managed under a formal written training procedure, which falls under the direct accountability of the Training Manager. The factory disseminates policies on freedom of association, worker committee functions and employee rights of communication to all employees. The factory delivers standardized induction training for new hires and organizes annual refresher compliance training for existing

← Code area 1.A

Code area 3 →

Management systems

staff. Most interviewed workers demonstrate basic awareness of worker representative roles and staff rights, while individual employees lack sufficient understanding of relevant association provisions. Furthermore, employee satisfaction survey did not carry out.

4) Monitoring:
Grade: Some Improvement Recommended
The factory conducts ongoing assessment of freedom of association procedure implementation via routine on-site monitoring and scheduled internal social compliance audits, and delivers targeted follow-up rectification for potential staff rights and communication mechanism risks. Workshop supervisors compile regular compliance monitoring reports and submit them to senior management, and a formal annual periodic internal audit plan for social compliance is maintained on site. The worker representative is granted adequate working time and conditions to perform duties, and participates in factory compliance communication and audit activities. However, a few workers hold a neutral attitude towards the evaluation of employee representatives, rather than a positive one.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 1.A

Code area 3 →

Systems and evidence examined to validate this code section	Current Systems: 1.Per workers interviewed, all workers understand their legal rights in relation to trade unions, collective bargaining agreements and worker committees. 2. Worker committee was established in the factory. It elected and conducted meetings regularly without interruption or interference. 3. Workers' representatives were not discriminated. 4. All workers interviewed confirmed that they were aware of who their representative was, their activities and how they can engage with them. 5. The site had established a policy on freedom of association and collective bargaining. Evidence examined: 1.Policy/procedure on FA and CBA 2.Worker committee election and meeting records 3. Complaint and Appeal Process 4. Suggestion box 5. training records 6. Worker interview

← Code area 1.A

Code area 3 →

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

Data points

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

← Code area 2

Code area 3 →

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

← Code area 2

Code area 3 →

3. Working conditions are safe and hygienic

Management systems

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

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	1)Policies & Procedures: Grade: Some Improvement Recommended The factory has established and issued formal EHS management policies and procedures covering workplace safety, occupational health, noise hazard prevention, fire control, electrical safety and machine safety. The system documents define standardized management requirements for daily safety management, occupational health protection for noise-exposed posts, staff health monitoring and regular system review mechanisms. The Health and Safety Committee conducts annual policy review to ensure continuous compliance with local laws and SMETA standards. However, partial operational procedure details are not fully refined in line with personal protective equipment wearing specifications. On-site personal protective equipment wearing management lacks detailed standardized operational requirements, resulting in occasional non-compliance with national personal protective equipment wearing regulations. 2)Resources: Grade: Some Improvement Recommended The factory appoints a senior manager as the overall person-in-charge of EHS management and leads the Health and Safety Committee to implement daily safety supervision, occupational health management and hazard control. Relevant management personnel have received professional external social compliance and occupational health training, with clear hierarchical responsibilities and sufficient authorization to promote system implementation. The factory arranges regular EHS meetings to track safety issues, noise hazard protection effectiveness and on-site hidden danger rectification progress. Sufficient first-aid resources, noise reduction facilities and occupational health protection resources are fully equipped. However, the daily supervision coverage of personal protective equipment wearing management is insufficient in the existing resource supervision mechanism, leading to occasional on-site specification deviations. 3)Communication & Training: Grade: Some Improvement Recommended The factory implements standardized EHS training and annual publicity mechanisms, covering fire safety, electrical safety, machine operation safety, noise hazard protection knowledge, PPE wearing specifications and warehouse safety management requirements. All new employees receive mandatory pre-job safety training, and regular refresher training is arranged for on-the-job staff. Targeted occupational health training is provided for noise-exposed workers to ensure staff awareness of occupational hazard prevention. Training records and assessment archives are completely retained. However, the popularization and targeted training of personal

← Code area 2

Code area 4 →

Management systems

protective equipment wearing is insufficient, resulting in individual staff's insufficient awareness of personal protective equipment wearing requirements, which causes occasional non-compliant personal protective equipment wearing issues.

4)Monitoring:
Grade: Fundamental improvements required
The factory carries out regular EHS patrols, occupational health monitoring for noise-exposed positions and annual safety internal audits to track safety hazards, employees' occupational health status and on-site operational standards. The site has developed monitoring procedures for personal protective equipment wearing. Nevertheless, the dedicated monitoring system governing personal protective equipment wearing contains major deficiencies and cannot sustain effective enforcement of personal protective equipment wearing requirements. Some employees not wearing proper personal protective equipment were identified.

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 Base code	NC ZAF601664460
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601664461
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601664462

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section	Current Systems: 1. General Health and Safety management - EHS committee was established for Health & Safety for the site. - Potable water was free of charge and available - Sufficient clean toilets segregated by gender were always available to workers - Ventilation, temperature and lighting were adequate for the production processes. 2. Fire Safety - Sufficient exits were available in each work area and these were clearly marked. - Evacuation maps were available on each floor, and they were understood by all workers interviewed. - Joint fire drill was organized. The fire drills conducted in audit scope were on April 13, 2026 and August 27, 2026. -Health and safety training including fire training was provided to all new workers and annual refresh health and safety training to existing workers. 3. Electrical safety - Electrical equipment was installed with protective cover and maintained monthly. - There were competent electricians at the site, and their training certificates were available for review. 4. Medical services - First aid supplies were available in case of emergency 5. Building Safety -No crack was noted on the buildings. 6. Chemical Safety - Hazardous chemical material (e.g. detergent) was used in the factory. - Safety label was partially posted for hazardous chemical material. - Anti-leakage facility was set for hazardous chemical material. - MSDS was posted. - Eye washing facility was installed. - Safety training for the use of hazardous chemical material was provided to relevant employees. 7. Personal protective equipment - Personal protective equipment were provided to relevant employees. - Safety training for the use of personal protective equipment was provided to relevant employees. Evidence examined: 1. EHS policy review, related training record review 2. Required licenses on building safety 3. Inspection records covered fire safety, machine safety, electric safety, etc. 4. Fire drill record 5. Electrician certificate 6. Management interview and worker interview

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601664460

Non-compliance

Due 2026-11-26

Code area

3 Working conditions are safe and hygienic

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).

Issue title

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

Description

It was noted that 5 out of 8 employees contacting with dust in polishing workshop in the factory wore disposable mask rather than anti-dust mask provided by the factory.
审核发现工厂抛光车间5/8名接触粉尘的员工佩戴的是一次性口罩而不是工厂提供的防尘口罩。

Intended corrective and preventative actions, based on root cause analysis

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

Status

Closed (2026-10-30)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 2

Code area 4 →



NC - Disposable mask rather than anti-dust mask.JPG

* PDF generated at 04:22 (UTC) on 30 Oct 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601664461

Non-compliance

Due 2026-11-26

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

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

Description

It was noted that 1 out of 4 bottles of detergent (hazardous chemical material) being stored in inspection workshop in the factory was not posted with safety label.
审核发现工厂检验车间保存的1/4瓶稀释剂（危险化学品）没有张贴安全标签。

Intended corrective and preventative actions, based on root cause analysis

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。

Status

Closed (2026-10-30)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

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 - Missing safety label.JPG

* PDF generated at 04:22 (UTC) on 30 Oct 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601664462

Non-compliance

Due 2026-12-26

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-10-30)*

← Code area 3

Code area 4 →

Workplace requirement

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

Issue title

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

Description

It was noted that no material safety data sheet for products (MSDS) was available for the chemicals (e.g. detergent) being used in the inspection workshop in the factory.
审核发现工厂检验车间使用的清洁剂没有化学品安全技术说明书(MSDS)。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that management adopt practices and controls to ensure that all chemicals being used in the factory have complete material safety data sheet for products (MSDS) which are also provided to the relevant employees handling chemicals in the factory.
建议所有在工厂使用的化学品都具备完整的化学品安全技术说明书(MSDS)，并提供给工厂内使用化学品的相关员工。

Local law reference

In accordance with Article 27 of the Regulation For Chemical Usage Safety in Work Place: Staff and workers are entitled to receive: (1) Date and information in description of the specific characteristics, hazardous ingredients, and safety precaution marks of the chemicals to be used in the working premises, and instructions upon safety techniques, etc. (2) Information concerning the probability of occurrence of harm against safety and health of staff and workers caused by hazardous chemicals in the working process. (3) Trainings upon safety techniques, including trainings with regard to prevention and control, and danger-avoiding methods, handling of emergency cases, or emergency measures. (4) Labor protection articles in conformity to State stipulations.
根据《工作场所安全使用化学品规定》第27条： 职工有权获得：(1)工作场所使用化学品的特性、有害成分、安全标签以及安全技术说明书等资料；(2)在其工作过程中危险化学品可能导致危害安全与健康的资料；(3)安全技术的培训，包括预防、控制、及防止危险方法的培训和紧急情况处理或应急措施的培训；(4)符合国家规定的劳动防护用品。

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:22 (UTC) on 30 Oct 2026. View this finding on the Sedex platform for live updates and closure details.

← Code area 3

Code area 4 →

3. Working conditions are safe and hygienic

Data points

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

← Code area 3

Code area 4 →

Does the site have a structural engineer evaluation?	Yes

← Code area 3

Code area 4 →

4. Child labour shall not be used

Management systems

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

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades

1) Policies & Procedures:
Grade: Some Improvement Recommended
The company's formal Child Labor Prevention and Remediation Policy clearly set out zero tolerance standards for underage employment, fully complying with all legal and code requirements for this section. This policy links to the standardized Hiring Procedure, which establishes core control mechanisms to block underage recruitment and restrict young workers from being assigned to hazardous or unsuitable posts, and the control scope covers both direct employees and dispatched agency workers. A standard-alone Remediation Procedure defines complete workflow, clear division of responsibilities and financial support measures for any child labor remediation cases. All relevant clauses are integrated into the site's Social Responsibility Manual and Employee Handbook for full staff disclosure. Minor improvement point: The policy does not specify fixed regular review frequency for the child labor control documents.

2) Resource
Grade: Robust Management Systems
The Child Labor Prevention and Remediation Policy designate the Senior Director as the ultimate responsible person, who takes charge of resource allocation, document approval and regular system review. HR supervisors of each department are assigned specific duties to implement standardized hiring age verification across all production and administrative departments. Formal interim handover procedures are formulated to guarantee uninterrupted child labor risk control during personnel absence or position adjustment. The management framework has established clear operational requirements to support daily routine supervision of child labor prevention and age verification management.

3) Communication & Training:
Grade: Robust Management Systems
All on-site training activities are governed by a formal written training procedure under full accountability of the Training Manager. The Child Labor Prevention and Remediation Policy were posted on noticeboards and distributed to all staff, and most interviewed workers show basic awareness of the zero-child labor requirement. Mandatory special training in hiring age identification and underage risk screening is arranged for all HR staff responsible for recruitment and onboarding. Line managers follow a standardized training matrix to complete regular refresher training, effectively reducing training coverage gaps. New staff induction training also includes simplified child labor policy briefings, with post-training verbal spot checks carried out to verify comprehension.

4) Monitoring:

← Code area 3

Code area 5 →

Management systems

Grade: Robust Management Systems
The Hiring Procedure defines clear monitoring responsibilities for staff age identity verification. HR supervisors conduct monthly routine reviews of all employee ID verification archives; the frequency is adjusted to weekly during peak recruitment seasons to strengthen risk control. Complete monitoring logs are retained for all inspection activities. Any procedural non-compliance or hidden age verification risks are escalated and discussed for corrective actions in weekly HR team meetings. The factory complies fully with local labor regulations and guarantees zero child labor employment within the facility.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 3

Code area 5 →

Systems and evidence examined to validate this code section	Current Systems: 1. The factory established a policy that the factory would never employ or use any child labor under the age of 16 years old. 2. The factory would verify all workers' original ID cards at the time of recruitment and keep the photocopies of workers' ID cards in the personnel files. 3. Sufficient sampled employees' personal files were provided for review. Each employee file included a bio-data sheet, a recent photo and the age documentation, which was in the form of photocopied national identification card. The card listed the employee's name, household address and the date of birth. 4. No child was present at the factory. The youngest employee in the factory was 22 years old. 5. No young worker was noted. 6. Remedial measures for child labor had been established, once child labor was detected, immediate and strict action would be taken to remedy the situation in accordance with the procedures and applicable laws, that the factory would terminate the employment of child labour immediately, inform the guardian and provide health check for the child labour. Evidence examined: 1. Factory policies 2. personnel file review 3. Management interview 4. Worker interview 5. manpower and roster information 6. ID copy 7. child labor remediation procedure

← Code area 3

Code area 5 →

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	14%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	22
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	Some Improvements Recommended
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 4

Code area 5.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures Grade: Some Improvement Recommended The facility has formulated complete written wage, leave and social security policies, which fully specify wage calculation standards, overtime pay rates, various statutory leave entitlements, payroll issuing rules and social insurance obligations, covering almost all core normative requirements stipulated by labor laws. However, there are clear implementation loopholes in the social insurance enrollment clauses. The policies fail to set mandatory full enrollment control measures for all eligible employees and only record the factory's passive response when workers refuse personal social insurance contributions. This unclear implementation detail reduces the facility's capacity to maintain long-term full social security compliance and results in low social insurance coverage rate as a non-conformity. This flaw only exists in the social security enrollment management segment instead of causing systemic collapse of the whole wage management policy framework. 2) Resources Grade: Some Improvement Recommended A dedicated HR supervisor is assigned to take full charge of payroll calculation, leave administration and social security handling, with written job responsibilities clearly defined in internal compliance documents. Overall, the supervisor fully master's all wages, leave and social security management duties and possesses professional capabilities to verify payroll data, handle insurance formalities and communicate with employees. The factory is equipped with complete payroll systems, labor contract archives and social insurance payment receipts as supporting resources. Although the manager has sufficient competence for daily administration, the management framework lacks mandatory follow-up mechanisms to push uninsured workers to complete social insurance enrollment, leading to partial social security non-compliance. 3) Communication & Training Grade: Some Improvement Recommended The factory provides regular comprehensive training covering minimum wage standards, legal overtime pays calculation, all statutory leave benefits, payroll inquiry and wage dispute procedures for supervisors and all frontline staff. New employees receive one-off orientation training regarding wages and welfare rules. The only shortcoming is that the training lacks special targeted guidance to inform workers of legally mandatory social insurance obligations and the risks of abandoning social insurance voluntarily. This single training omission leads to partial low enrollment non-conformity, while all other wage-related compliance training is fully delivered without systematic training defects.

← Code area 4

Code area 5.A →

Management systems

4) Monitoring
Grade: Fundamental improvements required
The factory only carries out monthly payroll review and simple social insurance data filing, without establishing regular full-staff social security enrollment statistics, early warning and closed-loop rectification tracking mechanism. After discovering low social insurance coverage, there is no standardized process to communicate with uninsured workers, record rectification progress and continuously boost enrollment rates. The fundamental defects of the monitoring system led to long-term low social insurance coverage among eligible employees, forming persistent systematic non-compliance risks which cannot be eliminated via partial adjustments. It is noted that commercial insurance is purchased for all uninsured workers as supplementary protection, yet this cannot offset the statutory mandatory social insurance obligations of the enterprise.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601650070

← Code area 4

Code area 5.A →

Systems and evidence examined to validate this code section	Systems examined: 1.All workers were provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid. 2.The factory provided payroll records and attendance records for the past 12 months for review. 3. For all employees, during the audit period, they were paid at least RMB 11.96 per hour before September 2026 and RMB 13.22 since September 2026, which met the local minimum wage standard, RMB 11.96 per hour, effective from March 1, 2025 to August 31, 2026, and RMB 13.22 since September 1, 2026. All employees were paid 150% and 200% of normal wage for overtime worked on weekdays and rest days respectively. No overtime was conducted on holidays. 4. Wage of previous month were paid to employee on or before the 20th day of the current month by bank transfer. Evidence examined 1.Payroll records 2.Local and national laws 3. Wages and benefits policy 4.Local legal minimum wage documents 5.Leave records 6.Social insurance and payment receipts 7. Labor contracts 8. Resignation records 9. Pay slips of all workers interviewed 10. Hours records to check hourly rates and any overtime premiums

← Code area 4

Code area 5.A →

Findings: non-compliances

ZAF601650070

Non-compliance

Due 2022-12-09

Code area

5 Legal wages are paid

Workplace requirement

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

Issue title

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

Description

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 34 employees were provided with pension, accident, unemployment, medical, maternity insurance in September 2026.
Remark: The factory provided 19 employees with commercial insurance, valid from September 5, 2026 to September 4, 2027.
审核发现工厂的社会保险覆盖不足。根据厂方提供的2026年9月社会保险缴费单据显示工厂为13/34名员工提供了养老、工伤、失业、医疗、生育保险。
备注：工厂为19名员工购买了商业保险，有效期为2026年9月5日至2027年9月4日。

Description (carried over)

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。

Intended corrective and preventative actions, based on root cause analysis

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。

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 5

Code area 5.A →

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



NC - Insufficient coverage of social insurance (2).JPG



NC - Insufficient coverage of social insurance (1).JPG

* PDF generated at 04:22 (UTC) on 30 Oct 2026. View this finding on the Sedex platform for live updates and closure details.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	The legal minimum wage Wages are based on job skills and experience Wages meet a living wage
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Only digital payments
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None
Where the site has undertaken a Living Wage gap analysis against a credible Benchmark which Benchmark have they used?	Full-Fledged Anker Methodology

Worker renumeration

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

Summary information

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

← Code area 5

Code area 5.A →

Maximum legal working hours	**Max hours per day**	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable
Actual required working hours	**Required hours per day**	8.0
	Required hours per week	40.0
	Required hours per month	Non applicable
Maximum legal overtime hours	**Max hours per day**	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	**Max hours per day**	2.0
	Max hours per week	16.0
	Max hours per month	50.0
Minimum legal wage	**Min per hour**	13.22
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	2300.0
Actual minimum wage	**Actual per hour**	13.22
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	2300.0

← Code area 5

Code area 5.A →

Minimum legal overtime wage	**Min per hour**	19.83
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	19.83
	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 the most recent paid month September 2026, random month June 2026 and random month February 2026, respectively.
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?	Meets legal minimum
Indicate the breakdown of workforce per earnings	100% of workforce earning the minimum wage.
Are there any bonus schemes used?	Yes Full attendance bonus and position bonus were paid to employees monthly.

← Code area 5

Code area 5.A →

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

← Code area 5

Code area 5.A →

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: The factory had calculated and assessed a credible living wage based on the local living standard and a decent life of the workers, taking into consideration the regional or local context and socio-economic and cultural realities, including the following aspects. a. Meals at work b. Food rations or food commodities given for free or sold at concession rates c. Housing (including electricity, water, and fuel) d. Transport to and from work (and to town on weekends from agricultural estates) e. Childcare f. School for children of workers g. Medical clinic and medical care not required by law and not for work-related matters h. Medical insurance not required by law The factory compared the living wage with the actual payment received by the workers, and it was found that the workers' income was higher than the living wage. Evidence examined 1. Management interview 2. Worker interview 3. Local and national laws 4. Wages and benefits policy 5. Payroll records for the previous 12 months 6. Hours records to check hourly rates and any overtime premiums 7. Living wage calculating record

← Code area 5

Code area 6 →

6. Working hours are not excessive

Management systems

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

← Code area 5.A

Code area 7 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory has formulated complete written policies covering daily shift arrangement, weekly rest days, all types of statutory leave and voluntary overtime requirements, which basically clarify all core normative elements of working hour management and comply with most statutory labour requirements. However, the facility's existing policies and procedures have obvious deficiencies in implementation details regarding overtime control. There are no clear restrictive clauses and operational standards to cap the monthly overtime volume at the legal limit of 36 hours. Such ambiguous implementation reduce the possibility of the factory maintaining long-term consistent compliance with legal working hour standards, and partial sampled workers were recorded with monthly overtime exceeding legal limits and generated non-conformities. Nevertheless, this defect is only confined to the overtime control segment rather than a systematic failure of the entire working hour policy system. 2) Resource Grade: Some Improvement Recommended A dedicated management person is appointed to take overall charge of daily working hour management and overtime supervision, with clear written responsibility allocation specified in internal compliance documents. Overall, this manager responsible fully understands all duties related to working hour control and possesses corresponding professional skills to perform daily supervision and cross-check of attendance records. The factory is equipped with unified electronic fingerprint attendance hardware and complete historical attendance archives as supporting management resources. Although the person in charge has the capability to carry out relevant management work, the overall management framework lacks targeted regular tracking mechanisms for monthly overtime accumulation, leading to partial overtime non-conformities. 3) Communication & Training: Grade: Some Improvement Recommended The factory delivers comprehensive regular training covering all working hour compliance requirements, including standard shift schedules, weekly rest rules, various statutory leave rights, voluntary overtime regulations and daily overtime limits. All production supervisors and frontline workers receive repeated training on abovementioned rules, and supplementary training is arranged for newly hired employees. The only gap is that the training focuses more on daily overtime restrictions while lacking targeted practical guidance on how to adjust production plans to strictly control cumulative monthly overtime within 36 hours. This single missing training module leads to partial monthly overtime non-conformities, yet the

← Code area 5.A

Code area 7 →

Management systems

overall communication and training system is complete and effective for all other working hour legal standards, without systematic training deficiencies.

4) Monitoring:
Grade: Fundamental improvements required
The factory conducts daily attendance verification. Upon identification of working hour non-conformities, the facility has rolled out remedial actions but lacks standardized long-term protocols for corrective management. It fails to consistently conduct root cause assessment, optimize production planning and continuously verify the effectiveness of corrective measures. Gaps within the monitoring system result in repeated working hours non-compliance for sampled staff, creating persistent compliance risks which demand comprehensive systematic improvement.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601650071

← Code area 5.A

Code area 7 →

Systems and evidence examined to validate this code section	Systems examined: 1. Factory adopted IC card attendance system to record workers' working time. 2. Per factory management interview and employees' interview. There was one shift for all workers, from 8:00 to 12:00 and 13:30 to 17:30. Overtime was based on employees' own will. 3. The factory provided payroll records and attendance records for the past 12 months for review. 4. It was noted that the maximum overtime worked on weekdays was 2 hours, the maximum weekly working hours were 56 hours. The maximum monthly overtime hours were 50 hours, and the longest consecutive working day was 6 days. 5. All employees were paid at least 150% and 200% of their normal wage for overtime hours worked on weekdays and rest days, respectively. No overtime was arranged on holidays. Evidence examined: 1. Time Records 2. Worker interview 3. Management interview 4. Production and warehouse records 5. Labor contracts 6. Worker handbook 7. Payroll records

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601650071

Non-compliance

Due 2022-12-09

Code area

6 Working hours are not excessive

Workplace requirement

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

Issue title

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

Description

It was noted that 20 out of 30 sample employees worked in excess of the statutory overtime hour limits.
A review of 30 sample population employees' time records (10 samples from the current month September 2026, random month June 2026 and random month February 2026, respectively) yielded the following:
1) 10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 50 hours) in September 2026, which was not in compliance with the legal requirement.
2) 10 out of 10 sample population employees worked in excess of 36 overtime hours per month (i.e. 50 hours) in June 2026, 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记录中抽取30个样本（从最近工资发放月份2026年9月，随机月份2026年6月，随机月份2026年2月各抽取10个），发现共20名员工加班时间超出了法定标准，具体为：
1）10/10名员工在2026年9月的加班时间为50小时，超过每月加班时间不能超过36小时的法律规定。
2）10/10名员工在2026年6月的加班时间为50小时，超过每月加班时间不能超过36小时的法律规定。

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 6

Code area 7 →

Description (carried over)

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。

Intended corrective and preventative actions, based on root cause analysis

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。

Intended corrective and preventative actions, based on root cause analysis (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。

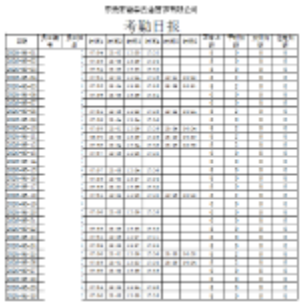
Local law reference

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

← Code area 6

Code area 7 →



NC – Overtime exceeding local law requirement.png

* PDF generated at 04:22 (UTC) on 30 Oct 2026. View this finding on the Sedex platform for live updates and closure details.

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	N/A. employees were paid 150% and 200% of normal wage for overtime worked on weekdays and rest days respectively. No overtime was conducted on holidays.
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	54.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	56.0
Maximum number of days worked without a day off in sample	6

← Code area 6

Code area 7 →

7. No discrimination is practiced

Management systems

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

← Code area 6

Code area 8 →

Management systems

Explanation for management systems grades

1) Policies & Procedures:
Grade: Some Improvement Recommended
The factory has formulated a formal Anti-Discrimination Procedure, and relevant clauses are integrated into the onsite Social Responsibility Management Manual and Employee Handbook, covering mainstream compliance requirements for this code area. The written procedure establishes clear equal employment principles throughout the entire employment lifecycle, including recruitment, remuneration, welfare allocation, training arrangement, work assignment, promotion, disciplinary handling and termination. It prohibits discriminatory treatment based on gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social background and association membership. However, the relevant policies and procedures lack key operational details: the fixed document review frequency and standardized review mechanism are not clearly stipulated.

2) Resource
Grade: Some Improvement Recommended
The anti-discrimination management system defines clear responsibility allocation at the management level. A senior manager is designated as the overall responsible person, with the operations manager undertaking daily implementation supervision. Relevant managers have received professional external social compliance training and are capable of managing equal employment practices on site. Formal interim handover arrangements are established to ensure continuous control during position adjustment or staff absence. However, the management framework lacks designated fixed personnel responsible for routine document review and optimization of anti-discrimination procedures.

3) Communication & Training:
Grade: Some Improvement Recommended
On-site compliance training is regulated under a unified training procedure, with the Training Manager taking over the overall charge of training arrangement and implementation. The factory's anti-discrimination and equal employment policies are fully documented, publicly posted and routinely communicated to all employees. Most interviewed staff demonstrate basic awareness of equal treatment requirements. The factory provides mandatory induction training for new entrants and organizes annual regular refresher training for existing employees. However, individual staff comprehension consistency requires further improvement; a small number of employees show insufficient familiarity with anti-discrimination requirements during random verification.

4) Monitoring:

← Code area 6

Code area 8 →

Management systems

Grade: Robust Management Systems
The factory has established a complete internal monitoring and audit mechanism for anti-discrimination management. Workshop supervisors conduct daily compliance monitoring and report implementation status to senior management regularly. A fixed annual social responsibility internal audit plan is implemented to continuously evaluate the effectiveness of equal employment control measures. The factory actively collects employee feedback and adopts proactive improvement measures to maintain stable and compliant workplace equality practices.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 6

Code area 8 →

Systems and evidence examined to validate this code section	Current Systems: 1. According to management and workers interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background etc. Female workers had the same pay and working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement. 2. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found. 3. The management knew the requirement of non-discrimination. 4. According to management and workers interview, all employees had equal opportunities (e.g. gender equity, race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. etc.). 5. The factory had a dedicated approach in recruitment, training, development and promotion processes. The employees did not report any unfair cases. The facility has established and implemented equity-based practices to ensure that vulnerable workers are not only treated equally but are also provided with the support necessary to perform their roles safely and comfortably. For pregnant workers and nursing mothers, the facility reassigns tasks when necessary to reduce physical strain and ensure safety, and pregnant workers receive additional rest breaks during the workday. The factory had equity measures to ensure all workers had the same chance for recruitment, training, career development and promotion, such as career development questionnaire was provided for workers, promotion policy and notice were communicated to all workers. Evidence examined 1. Employee handbook, the hiring and termination procedure 2. Leave application and termination records 3. Attendance and payroll records 4. Training records 5. Management and worker interview

← Code area 6

Code area 8 →

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	20%
Representation of women in managerial roles (ratio of women workers to women managers)	9%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	0%
Three most common nationalities in managerial and supervisory roles	All managers and supervisors were Chinese.

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

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

← Code area 7

Code area 8.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory integrates standardized regular employment management clauses into the on-site Social Responsibility Management Manual and Employee Handbook, covering mainstream compliance requirements of Code Area 8. A dedicated Employment Management Procedure has been formally formulated and approved by the General Manager. The procedure clearly stipulates the protection of employees' legitimate employment rights and free career choice. The factory implements fair and impartial recruitment interviews based on job requirements, prohibiting any discriminatory, threatening, harassing or abusive behavior during the recruitment process. Strict original ID verification is conducted for all applicants to ensure all employees are aged 18 and above, and formal standardized labor contracts are signed with all recruited staff. The factory adopts a 100% direct recruitment model without engaging third-party labor agencies, dispatch or subcontracting employment to evade statutory obligations. However, the current procedure lacks refined operational specifications for staff document verification management, resulting in inadequate detailed implementation rules. 2) Resource Grade: Some Improvement Recommended The regular employment management system defines clear hierarchical responsibility allocation and standardized operational processes, covering most control points of this code clause. A senior manager serves as the overall responsible person, while the operations manager undertakes daily supervision and implementation of standardized employment management. Relevant managerial personnel have received professional external social compliance training and are competent to formulate and optimize onsite employment management processes. Formal interim handover procedures are established to ensure continuous and stable employment risk control during staff absence or position adjustment. However, the relevant policies and procedures lack key implementation details: the fixed review frequency is not clearly stipulated, and the designated person responsible (for routine document review) is also unspecified. 3) Communication & Training: Grade: Some Improvement Recommended On-site compliance training is regulated by a unified formal training procedure, with the Training Manager taking full charge of training arrangement, implementation and quality control. The factory's formal policies and procedures regarding standardized regular employment, labor contract management and legitimate employment rights protection are fully documented, publicly posted and routinely communicated to all staff. Most interviewed employees demonstrate basic awareness of formal

← Code area 7

Code area 8.A →

Management systems

employment requirements and labor contract provisions. Mandatory training is provided for all new employees, and annual compliance refresher training is organized for existing staff. However, staff training mastery consistency requires further improvement; individual employees show insufficient familiarity with labor contract and regular employment management requirements during random spot verification.

4) Monitoring:
Grade: Some Improvement Recommended
The factory has established daily compliance monitoring and periodic internal audit mechanisms for regular employment management. Each workshop supervisor conducts routine onsite compliance inspections and regularly reports process implementation status to senior management. A fixed annual social responsibility internal audit plan is implemented to continuously evaluate the effectiveness of employment management procedures. Valid ID verification documents and complete employee files are properly retained for traceability, and the factory actively collects employee feedback to optimize daily employment management practices. The factory carries out regular monitoring activities covering this compliance area and records instances of improper implementation procedure. However, the monitoring framework lacks standardized preventive tracking mechanisms to avoid repeated deviation.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 7

Code area 8.A →

Systems and evidence examined to validate this code section	Current Systems: 1. Work performed was based on recognized employment relationship established through national law and practice. 2. The factory signed labor contracts with employees within 30 days of employment. 3. All workers were hired by the factory directly. No agency workers were noted. 4. All workers were from China. No foreign workers were noted. No work permit was legally required. Evidence examined: 1. Recruitment policy/procedure 2. Name list of employees 3. Labor contracts review 4. Personnel files 5. Management interview and 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%

← Code area 8

Code area 8.A →

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

Management systems

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

← Code area 8

Code area 9 →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The facility has no homeworking arrangements and does not outsource any work to individual household workers. Only electroplating processes are subcontracted to qualified third-party industrial factories. The factory strictly obtains prior written approval from clients before outsourcing work, and only cooperates with customer-designated electroplating vendors. A formal, documented subcontractor management system has been fully established. The complete procedure covers vendor screening, qualification assessment, pre-cooperation audits, regular performance evaluation, and compliance requirement communication with subcontractors. Full-process internal control measures are implemented to manage all outsourced activities, and relevant approval documents and monthly assessment records are properly retained on file. However, the written procedure fails to specify the fixed frequency of on-site compliance visits to electroplating subcontractors. 2) Resource Grade: Some Improvement Recommended Existing compliance documents have clearly delineated management responsibilities and standardized operational workflows, covering all modules of the audit code. A senior manager and production operation manager are jointly assigned to oversee the compliance implementation of subcontract management, with formally documented duty allocation. Both responsible personnel fully understand their obligations and possess professional competency, having completed external social compliance training and practically applied relevant knowledge to develop effective daily control procedures for outsourced processes. In addition, formal contingency handover procedures are established to ensure stable responsibility takeover during staff absences or position changes, enabling the management framework to adapt to changing operational conditions. Nevertheless, no dedicated staff has been formally designated to take charge of the regular review, update and archiving of all subcontract-related documents and records, which is a structural gap that may lead to occasional non-conformities in future compliance management. 3) Communication & Training: Grade: Robust All site training activities are governed by a formal standardized written training procedure, and the Training Manager takes full responsibility for organizing all training work. Policies on subcontract control and homeworker prohibition are fully distributed and communicated to managers, supervisors and frontline workers. The factory provides compulsory induction training for newly recruited staff and organizes annual refresher compliance training for all existing employees. Training content is revised

← Code area 8

Code area 9 →

Management systems

and updated in a timely manner in response to changes in outsourcing business and compliance requirements, and content updates are recorded formally. After each training session, the factory arranges simple tests and verbal checks to evaluate workers' understanding of the rules, ensuring satisfactory training outcomes. During worker interviews, most staff clearly stated that unauthorized subcontracting and home-based processing are banned on site, and they are fully aware that only electroplating work is outsourced to qualified third-party factories.

4) Monitoring:
Grade: Robust
The factory continuously evaluates the effectiveness of subcontract management procedures via routine on-site inspections and scheduled internal social compliance audits. Timely corrective actions are taken against any potential risks involving unauthorized subcontracting and home working. Each workshop supervisor regularly submits compliance reports to senior management after daily monitoring of outsourced production activities. The site carries out ad-hoc factory visits to subcontractors under the annual internal audit plan, and on-site inspections are arranged flexibly even without fixed written frequency requirements. Clear monitoring objectives and key performance indicators are set for vendor compliance. The auditor verified that only electroplating processes are outsourced, together with complete monthly evaluation records of subcontractors and formal customer written approval documents for all outsourced orders.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 8

Code area 9 →

Systems and evidence examined to validate this code section	Current systems: 1. The facility had established a policy to ensure sub-contracting would not be used unless previously agreed with the main client. 2. There was no homeworking in the factory. 3.It was noted that the factory had subcontracted electroplating process to another factory, and it was authorized by their main client. Evidence examined: 1. Production records reviewed, such as daily production records, material in/out records etc. 2. Factory tour 3. Management interview and employee interview

← Code area 8

Code area 9 →

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

Data points

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

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?	
Are full records of homeworkers available at the site?	
Does the supplier buy products or services from suppliers that use homeworkers?	No Through supplier control documents and management interview, it was noted that their suppliers 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 No evidence concerning unrecorded work or undeclared sub-contracting was noted.

← 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

← Code area 8.A

Code area 9 →

9. No harsh or inhumane treatment is allowed

Management systems

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

← Code area 8.A

Code area 10.A →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory integrates relevant control clauses for harsh and inhumane treatment into the on-site Social Responsibility Management Manual and Employee Handbook, covering most compliance requirements of this code area. A dedicated Anti-Abuse & Anti-Mistreatment Procedure and standardized reward and disciplinary system have been formally established. The written documents define tiered disciplinary handling standards for employee improper conduct, ranging from verbal warning, written warning up to employment termination, and clearly prohibit any form of corporal punishment, mistreatment, gender violence and sexual harassment against workers. However, the supporting document management mechanism lacks clear operational specifications; fixed periodic document review frequency and standardized review rules are not stipulated in the procedure. 2) Resource Grade: Some Improvement Recommended The anti-harsh-treatment management system defines clear hierarchical management responsibilities and complete standardized processes covering most control points of this clause. A senior manager is designated as the overall person-in-charge, with the operations manager responsible for daily on-site implementation supervision. Relevant management personnel have received professional external social compliance training and possess sufficient capability to formulate and execute compliant management workflows. Formal interim handover procedures are formulated to guarantee uninterrupted risk control during staff absence or position adjustment. However, the factory has not assigned a fixed dedicated staff to take charge of regular review, revision and update of anti-mistreatment system documents. 3) Communication & Training: Grade: Some Improvement Recommended All on-site compliance training activities are regulated under a unified training procedure, and the Training Manager takes full charge of training planning, organization and delivery. The factory's formal policies and procedures on prohibiting harsh treatment, inhumane acts, gender violence and sexual harassment are fully documented, posted on notice boards and regularly disseminated to all staff. Most interviewed employees possess basic awareness of relevant anti-mistreatment requirements. Mandatory induction training is arranged for all new hires, and annual refresher training is conducted for existing workers. However, the consistency of staff mastery needs further enhancement; partial employees show insufficient familiarity with anti-harsh-treatment training knowledge during random spot checks.

← Code area 8.A

Code area 10.A →

Management systems

4) Monitoring:
Grade: Robust
The factory builds a full-cycle internal monitoring and internal audit system for anti-harsh and inhumane treatment management. Each workshop supervisor carries out daily compliance monitoring and submits regular implementation reports to senior management. A fixed annual social responsibility internal audit plan is implemented to continuously evaluate the execution effectiveness of all anti-mistreatment control procedures. The factory actively collects employee feedback and carries out targeted optimization actions. No incidents of harsh treatment, corporal punishment, gender violence or sexual harassment were identified throughout the audit.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section

Current Systems:
1. The factory management established a disciplinary procedure for workers' misbehavior which included oral warning, written warning and finally termination.
2. The site had developed a training program for all employees on the procedure. Confirmed by workers interview, they were aware of the disciplinary procedure.
3. The factory established a policy on Harsh Treatment. Confirmed by workers interview, there was no such negative evidence that happened in the past.
4. There was an internal process for grievance, which is an anonymous suggestion box, where workers can report any grievances (harassment, bullying, discrimination etc.). Any complaint received will be handled by management, without any reprisal for the worker in question

Evidence examined:
1. The relevant policy on prevention of harassment and abuse
2. Internal grievance procedure documentation
3. Training records
4. Management and worker interview

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

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

← Code area 9

Code area 10.A →

10.A. Environment 2-Pillar

Management systems

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

← Code area 9

Code area 10.B →

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory incorporates environmental compliance control clauses into the Social Responsibility Management Manual and Employee Handbook, covering most mandatory requirements of Code Area. A dedicated Environmental Compliance Management Procedure is formally issued and approved by senior management. This written procedure establishes standardized workflows for tracking, updating and communicating national, regional and local environmental regulatory revisions, clarifies full compliance obligations for water, energy, raw material utilization and waste disposal, builds a gap identification & rectification mechanism between customer environmental standards and site operational environmental impacts, and requires dynamic maintenance of detailed hazardous chemical inventory to meet both client specifications and destination-country environmental laws. However, the procedure lacks explicit operational rules for document management; fixed regular document review cycles and standardized review workflows are not clearly defined within the written document. 2) Resource Grade: Some Improvement Recommended The environmental management system sets out clear tiered management responsibilities and complete standardized workflows covering most control points of this code pillar. A senior manager is appointed as the overall responsible person, while the environmental supervisor undertakes daily on-site implementation supervision. Relevant managerial staff have participated in professional external environmental compliance training and are competent at formulating and optimizing on-site environmental control processes. Formal interim responsibility handover procedures are formulated to ensure continuous environmental risk control during staff absence or position adjustment. However, the factory fails to assign a permanent dedicated employee to conduct routine review, revision and dynamic update of environmental compliance system documents. 3) Communication & Training: Grade: Some Improvement Recommended All on-site environmental compliance training is governed by a unified training procedure, with the Training Manager taking full charge of training planning, organization and rollout. The factory's formal environmental regulation, hazardous substance and customer standard compliance policies are fully documented, posted on noticeboards and regularly communicated to all relevant production and logistics staff. Mandatory induction of environmental training is provided for all new workers, and annual refresher training is arranged for existing staff. However, staff awareness

← Code area 9

Code area 10.B →

Management systems

of hazardous chemical management is uneven; a small number of workers without direct exposure to hazardous chemicals lack basic common knowledge of hazardous chemical risks, storage and emergency handling during random spot verification.

4) Monitoring:
Grade: Some Improvement Recommended
The factory establishes a basic internal monitoring and internal audit mechanism for environmental compliance management. Each workshop supervisor conducts daily environmental compliance inspections and submits regular implementation reports to senior management. A fixed annual social responsibility internal audit plan is executed to assess the implementation effectiveness of environmental control procedures, and regular third-party pollutant monitoring and hazardous substance inventory reconciliation are carried out. The factory carries out regular monitoring activities covering this compliance area and records instances of improper implementation procedure. However, the monitoring framework lacks standardized preventive tracking mechanisms to avoid repeated deviation.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 9

Code area 10.B →

Systems and evidence examined to validate this code section	Current Systems: 1. The factory established the environmental policy and procedure to ensure meeting applicable environmental laws. 2. The factory management maintained legally required environmental documents in place which proved that the production of the factory was following the related environmental regulations. 3. The factory maintained a list of hazardous substances (e.g. chemicals) used in the manufacturing process. No banned chemicals were noted. 4. Wastes were properly treated in accordance with legal requirements. Evidence examined: 1. Environmental management policy 2. Environment impact assessment records 3. Disposal contract and transferring records of hazardous waste 4. Training records 5. Management and worker interview

← Code area 9

Code area 10.B →

10.A. Environment 2-Pillar

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with environmental legislation, regulation, consent or permits (within the last three years)?	No
Does the site have any valid environmental or energy management certificates?	No, the site did not have any environmental or energy management certificate.
Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?	No
Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?	No

← Code area 10.A

Code area 10.B →

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Current systems: 1.The factory identified and monitored potential negative environment impacts of operations and supply chain and have in place systems that prevent, mitigate or remedy the impacts of their own operations. The factory management maintained legally required environmental documents in place which proved that the production of the factory was following the related environmental regulations. 2.The factory communicated the environment policies and processes, endorsed at the highest level, that includes commitments to improve environmental performance and an approach to managing environmental impacts on relevant stakeholders. 3.The factory established resource-use targets and a plan to reach them. 4.The factory recorded energy use, water use, solid waste, material use, and waste, etc. 5. Workers were trained on environmental protection regularly. Evidence examined: 1. Environmental management policy 2. Environment impact assessment reports, approval and acceptance 3. waste handling records 4. Training records 5. Energy consumption records 6. Management and worker 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?	Packaging optimization Sustainable material sourcing
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?	Yes, to reduce scope 3 greenhouse gases (GHGs)
Are any of these science-based targets?	No, but we anticipate setting one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes "Per document review, reduction targets in place for environmental aspects was set by the factory. The site had a 3% reduction target in place for water consumption and discharge, waste generation and energy consumption."
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 Related assessment was conducted.

Usage/discharge analysis

← Code area 10.B

Code area 10.C →

	Last full calendar year (2025)	Previous full calendar year (2024)
Total electricity consumption from non-renewable sources (kWh)	91,268	90,066
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Other (provide details) None used	Other (provide details) None used
Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	None used	None used
Has the site completed any carbon footprint analysis?	No	No
Water sources	Local water authority	Local water authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	385	352
Water discharged	Domestic sewage	Domestic sewage
Water volume discharged (m3)	308	280
Water volume recycled (m3)	0	0
Total waste produced (mt)	17	15

← Code area 10.B

Code area 10.C →

Total hazardous waste produced (mt)	2.6	3
Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	0
Waste to other (mt)	17	15
Total product produced (mt)	305	290

← Code area 10.B

Code area 10.C →

10.C. Business ethics

Management systems

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

← Code area 10.B

Management systems

Explanation for management systems grades	1) Policies & Procedures: Grade: Some Improvement Recommended The factory has formulated policies and procedures for business ethics compliance. Its dedicated Business Ethics and Anti-Corruption Procedure is formally issued upon approval by senior management. This written procedure defines standardized workflows for tracking laws and regulations related to bribery, corruption and unethical commercial conduct, establishes risk assessment and mitigation mechanisms for high-risk positions including procurement, sales and logistics, specifies requirements for financial compliance and third-party audits, and sets out a full set of management rules covering supplier ethics communication, personal data protection, site land tenure document management and corrective actions after violations. However, the supporting document management mechanism lacks clear operational specifications; fixed periodic document review frequency and standardized review rules are not stipulated within the procedure. 2) Resource Grade: Some Improvement Recommended The business ethics management system defines clear hierarchical management responsibilities and complete standardized processes covering most control points of this clause. A senior manager is designated as the overall person-in-charge, with the administration supervisor responsible for daily on-site implementation supervision of anti-bribery, ethics training and whistleblower mechanism operation. Relevant management personnel have received professional external social compliance training and possess sufficient capability to formulate and execute compliant business ethics workflows. Formal interim handover procedures are formulated to guarantee uninterrupted ethics risk control during staff absence or position adjustment. However, the factory has not assigned a fixed dedicated staff to take charge of regular review, revision and dynamic update of business ethics system documents. 3) Communication & Training: Grade: Some Improvement Recommended All on-site business ethics compliance training activities are regulated under a unified training procedure, and the Training Manager takes full charge of training planning, organization and delivery. The factory's formal anti-bribery, anti-corruption and ethical management policies are fully documented, posted on notice boards and regularly disseminated to all internal staff and high-risk suppliers. Mandatory induction ethics training is arranged for all new hires, and annual targeted refresher training focusing on procurement, sales and logistics posts is conducted for existing workers. Most interviewed employees possess basic awareness of relevant business ethics requirements. However, the consistency of staff mastery needs further

← Code area 10.B

Management systems

enhancement; partial non-high-risk employees show insufficient familiarity with anti-corruption and anonymous reporting related knowledge during random spot checks.

4) Monitoring:
Grade: Robust Management Systems
The factory builds a full-cycle internal monitoring and internal audit system for business ethics management. Each department supervisor carries out daily ethics compliance inspections covering procurement transactions, supplier communication and whistleblower box maintenance, and submits regular implementation reports to senior management. A fixed annual social responsibility internal audit plan is implemented to continuously evaluate the execution effectiveness of all business ethics control procedures, including regular ethics risk reassessment and supplier qualification verification. The factory actively collects feedback from employees, suppliers and other stakeholders to carry out targeted optimization actions for ethics management. No incidents of bribery, corruption, fraud or unethical commercial conduct were identified throughout the audit.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 10.B

Systems and evidence examined to validate this code section	Current Systems: 1. The factory understood current and relevant legislation relating to bribery, corruption, unethical, or any type of fraudulent or unethical business practices. 2. The factory assessed risks of bribery, corruption or any fraudulent or unethical business practices and implemented measures to mitigate these. 3. The factory communicated a business ethics policy covering bribery, corruption, or any type of fraudulent or unethical business practice to its business partners. 4. The factory provided appropriate business ethics training to workers such as sales, purchasing, logistics. 5. The factory developed and implemented a transparent and accessible mechanism that effectively allows confidential and anonymous reporting, monitoring and investigation of any fraudulent or unethical business practices without fear of reprisals towards the reporter. 6. The factory obtained and stored personal data with the appropriate consent and controls, complying with national requirements. Evidence examined: 1. Anti-bribery policy 2. appointment letter for the person responsible 3. Business Ethics training records 4. Business ethics risk assessment records 5. management interview

← Code area 10.B

10.C. Business ethics

Data points

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

← Code area 10.C

Attachments



Exit sign and emergency light.JPG



Fire extinguisher.JPG



Factory name.JPG



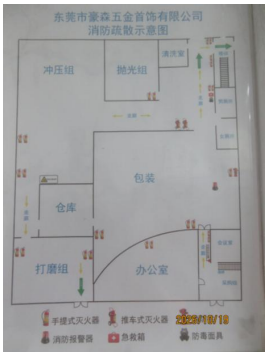
Emergency assembly point.JPG



Drinkable water.JPG



Fire alarm button.JPG



Evacuation plan.JPG



Fire alarm.JPG



First aid kit.JPG



Factory gate.JPG



No smoking sign.JPG



Fire hydrant.JPG



Address plate.JPG



Polishing (1).JPG



Inspection.JPG



Polishing (2).JPG



Production building.JPG



Time record machine.JPG



Cleaning.JPG



Stamping.JPG



Assembly and packing.JPG



Toilet.JPG



Suggestion box.JPG

10262830606_Smeta_4P_Dong_Guan_HaoSen_Metal_Jewelry_Ltd_China_Oct_19-20_2026_Signed CAP.pdf