SMETA
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Sedex Members Ethical Trade Audit Report

Version 7



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

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9. No harsh or inhumane treatment is allowed

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Attachments

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

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Findings →

Audit details

Site details

Sedex site reference	ZS412351475	**Site name**	Dongguan mi-ho plastic electronic technology co ltd
Business name	Dongguan mi-ho plastic electronic technology co ltd	**Site address**	No. 139 Yuquan Road, Huangdong Village, Fenggang Town, Dongguan City, Guangdong Province 广东省东莞市凤岗镇黄洞村玉泉路139号A栋1楼 东莞 CN 523000

Audit details

Sedex company reference	ZC412333931	**Auditor company name**	LRQA
Audit company address	16th Floor, Cambridge House, Taikoo Place, 979 King's Road Quarry Bay, Hong Kong SAR, HK, HK		
Date of audit	2026-06-26	**Audit conducted by**	Claire Wang
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		
Time in and out	Day 1 In 09:08 Out 16:13		

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Findings →

Audit type	Periodic
Was the audit announced?	Semi announced
Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Mr. Qiao Shunli / Manager
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

	Senior management	Worker representative	Union representative
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	There is no union at the site.		
Reason for absence during the audit	There is no union at the site.		
Reason for absence at the closing meeting	There is no union at the site.		

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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)	As per client's requirement, this audit was conducted by two auditors. Audit WindowsJune 26, 2026 to July 23, 2026

Lead auditor	Claire Wang	**APSCA Number**	32400104
Additional auditor	Pepper Zhuang	**APSCA Number**	32200518
Date of declaration	2026-06-26		

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Findings →

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Mr. Qiao Shunli
Title	Manager
Date of declaration	2026-06-26

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law	NC ZAF601524990
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601488781
	3.O Implement an appropriate electrical safet...	Local law	NC ZAF601524989
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601488779
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601488780
	6.I Undertake a review of appropriate frequen...	Base code	NC ZAF601524991

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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	ZC412333931	
Sedex site reference	ZS412351475	
Company name	Dongguan mi-ho plastic electronic technology co ltd	
Business ownership type	GOODS	
Site name	Dongguan mi-ho plastic electronic technology co ltd	
Site name in local language	东莞市美汇塑胶电子科技有限公司	
GPS location	**GPS address**	No. 139 Yuquan Road, Huangdong Village, Fenggang Town, Dongguan City, Guangdong Province
	Coordinates	Latitude: N22°45′17″ Longitude: E114°9′23″
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Mr. Qiao Shunli
	Job title	Manager
	Phone number	076987561577
	Email	meihuiqiao@126.com
Applicable business and other legally required business license numbers and documents	Business License number: 914419000734550303 Valid from July 1, 2013 to long term	

← Management systems

Worker analysis →

Site activities

Site function	Factory Processing/Manufacturer	
Site activities	**Primary**	Manufacture of plastics products
	Secondary	
	Other	
Product type	Toys	
Process overview	The factory specialized in manufacturing toys. The main production processes included: moulding, injection, assembly, inspection & packing. There were 4 production lines and and the main equipment used: injection machines etc.	
What level of mechanization best describes the work at this site?	No manual labour is carried out	

Site scope

Is the audited site a physically continuous area?	No The factory occupied tne 1F and 3F of 1 block of 5-storey production building, and the 2F of 1 block of 4-storey office building

← Management systems

Worker analysis →

Site scope

Building 1	**Last construction works on site**	1994
	If building is shared, provide details	The factThe factory used 1F and 3F, which are used for workshop and warehouse.
	Number of floors	5
	Description of floor activities	1F Moulding, injection molding 2F Dongguan Hefeng Century Technology Co., Ltd 3F assembly, inspection and packing, warehouse 4F Zaohaowu Dongguan Technology Co., Ltd. 5F Dongguan Huayang Electronic Technology Co., Ltd
Building 2	**Last construction works on site**	2022
	If building is shared, provide details	The factThe factory used 1F, which are used for office.
	Number of floors	4
	Description of floor activities	1F Guangdong LiDu Education Development Co., Ltd. use as office 2F Office and display room 3F Guangdong LiDu Education Development Co., Ltd. use as office 4F Idle
Is there any difference between the site scope of the audit and the Sedex site profile?	No	

← Site details

Worker analysis →

Site scope

Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site?	No
Is any activity conducted onsite not included within the scope of the audit?	No

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No
Does the site organise worker transport to the worksite?	Not applicable The transportation was not provided by the facility to workers to the worksite and it is not a legal requirement for this.

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%

← Site details

Worker analysis →

Work patterns

Is there any night shift work at the site?	Yes Workers of injection molding section in the factory worked in 2 shifts, 1st shift was from 8:00 to 20:00 and 2nd shift was from 20:00 to 8:00 of the next day, other workers in the factory worked in 1 shift, normal working hours were from 8:00-12:00, 13:30-17:30, overtime at night was from 18:30 to 20:30 if the overtime hours were arranged.
What night shift audit activities were conducted?	Individual worker interview(s) Group worker interview(s) Management interview(s) Interviews conducted during day shift (rotated workers) Documents reviewed in the sample
What percentage of the workforce, including temporary and agency workers, work during the night shift?	26%
Was the audit conducted across all shift times, and did it include a representative sample of workers from each shift time in interviews and sampling?	Yes The audit was only conducted in day shift, but the representative sample ofworkers in interviews and sampling including the workers who also worked nightshift, because the all production workers turn shift every two weeks.

Site assessments

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

← Site details

Worker analysis →

Site assessments

Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	Yes The facility has conducted those negative impacts assessments each year in their internal audit. No negative impacts were applicable for this facility on human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community in the past.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	Yes The facility has established and implemented Human Rights Impact Assessment system and conducted the HRIA once per year in their internal audit.

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	21 *(37.5%)*	35 *(62.5%)*	- -	56 *(100%)*

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	21 *(37.5%)*	35 *(62.5%)*	- -	56 *(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	21 *(43.8%)*	27 *(56.3%)*	- -	48 *(85.7%)*
International migrant workers	0 -	0 -	- -	0 *(0%)*
Total migrant workers	21 *(43.8%)*	27 *(56.3%)*	- -	48 *(85.7%)*

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from	The ethnic background of all management and production workers was mainland Chinese, 85.7% workers were migrated from other provinces of Jiangxi, Henan, etc. All workers were recruited directly by the facility.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	6 *(85.7%)*	1 *(14.3%)*	- -	7 *(12.5%)*
15 - 17 years old	0 -	0 -	- -	0 *(0%)*
Under 15 years old	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Worker analysis

Worker interviews →

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

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	37%	63%	-	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	21 *(37.5%)*	35 *(62.5%)*	- -	56 *(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	21 *(37.5%)*	35 *(62.5%)*	- -	56 *(100%)*
Other	0 -	0 -	- -	0 *(0%)*

* % of total workforce

If other payment cycle entered, please provide details	Nil

People in managerial, supervisorial and administrative roles

	Men	Women	Other	Total
Employees in management positions	1 *(100%)*	0 *(0%)*	- -	1
Supervisors or team leaders	3 *(100%)*	0 *(0%)*	- -	3
Administrative staff	7 *(70%)*	3 *(30%)*	- -	10

← 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 each. Additional comments As reported, the work conditions in the facility are great, and workers could raise concerns or complaints to the worker representative directly or to the top management through suggestion box / hotlines. They are satisfied with the timely payment of wages, a pleasant workplace, and cooperative management. In addition to these elements, the employees valued the chances for development and promotion inside the facility. The workplace offered consistent training programs and skill-development activities, enabling staff members to improve their professional talents and advance in their careers.

← Worker analysis

Measuring workplace impact →

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

Attitude of workers

In which areas did workers raise significant concerns or complaints?	Other (provide details) No significant concerns or complaints.
What did the workers like the most about working at this site?	Freedom of movement Overtime Training and development
Additional comments	10 workers (4 males and 6 females) were selected from all different departments and 1 EHS staff for confidential interviews. Of the 11 interviewed workers, 5 workers were interviewed individually in the workshops, other 5 workers were interviewed in one group in the meeting room with the intent of making them more comfortable. In general, they were all very happy to work in the factory according to what they said. 1 EHS staff interviewed stated that the health, safety and environmental status ran smoothly.

← Worker analysis

Measuring workplace impact →

Attitude of workers

Attitude of workers' committee/union representatives	There is no union present at the facility. Worker representatives are aware of the responsibility, and they understand that they are the bridge between management and workers. The workers' representatives attended the whole assessment process. They were open to the assessor. They stated that they were elected by workers. Workers could raise suggestions or complaints through workers representative meeting. They would participate in grievance investigations and give a solution. Worker representatives found no difficulty raising any issue with management and management is responsive on all the issues raised by the workers.
Attitude of managers	Site management were cooperative with LRQA staff and provided full access to the whole facility. Management provided the required documents and records in time, accompanied the assessor with the site tour and helped select workers for interviews. Management staff attended the closing meeting, confirmed all the findings and signed the CAPR without any argument.

Workers interviewed by type

	Total
Permanent workers	11
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	11

← Worker analysis

Measuring workplace impact →

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	2	3	-	5
Workers interviewed individually	3	3	-	6

← Worker analysis

Measuring workplace impact →

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	4	6	-	10
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	4	6	-	10

← Worker interviews

Measuring workplace impact →

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

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

* 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%	0.5%	-	1.5%
Last full calendar year (2025)	0.5%	1.0%	-	1.5%
Previous full calendar year (2024)	1.0%	0.5%	-	1.5%

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

Are accidents recorded?	Yes All accidents would be recorded and maintained for at least 12 months. However, no accident occurred in the facility during last 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	1.The factory has established a written human rights policy which was approved at the top management level. 2.The factory was cooperative with the whole audit processes, documents were provided in time, entire factory areas within the business license scope were visited, workers interviews were conducted in a confidential way without interference. 3.The provided site description and Sedex site profile declared prior to the audit were accurate and consistent with their actual operation. 4.No unethical behavior happened, and no falsification records were identified during this audit process. 5.The written human rights policy was communicated to all employees and its personnel concerned, including its suppliers, customers etc. through email, training, handbooks and postings at the facility. Details: 1.Business license; 2.Employee Handbook; 3.Business ethic code of conduct; 4. Facility Profile 5.Factory rules; 6.Social compliance management handbook; 7.Appointment book of person responsible for implementing standards concerning Enabling accurate assessment; 8.Training records of the Code, social compliance, human rights; 9.Per employee interview, employees could raise issues regarding accurate assessment by suggestion box confidentially or call the hotline who was responsible for implementing standards of ensuring accurate assessment.

← 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	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 0

Code area 1.A →

Management systems

Explanation for management systems grades	Policy and Procedure: (Some Improvements Recommended The factory had established policies and procedure stipulated that the use of forced labour, human trafficking, debt bondage/bonded labour or any other form of indentured servitude was strictly prohibited. Moreover, there was an employment procedure which stated that workers must present their IDs for proof of age, only copies were kept in the personnel files and the original must be given back to the workers, no deposit was required. However, the policy/procedure didn't point out that they were also applicable to non-employed workers (such as third-party workers or agency workers) if the factory used such kinds of workers. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for ensuring employment is freely chosen in the factory. Assignment letter was approved by General Manager who was familiar with labor laws, regulation and other requirements on forced labor issues. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. HR staff and managements were trained for communication of no forced labor policy to new workers; all existing workers were trained on force labor topic during annual refresh training based on the annual training plan. Training exam was taken to ensure communication was effective. Monitoring: (Robust) Regular monitoring was carried out to ensure employment is freely chosen and no forced labor issues happened in the factory. Monthly check and internal audits were conducted by qualified internal auditor for force labor management system and corrective actions were implemented to ensure continuous improvement. Based on the inspection records and internal audit report, no compliance regarding forced labor issue was raised in the past 2 years. Regular management review was conducted annually to review effective implementation status and seek continuous improvement.

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	1.The factory has established a hiring policy and procedure in place to ensure employment is freely chosen. 2.No forced labor, human trafficking, debt bondage/ bonded labor or any other form of modern slavery was identified. 3.No case of control workers through threats, penalties, coercion, physical force, violence, or harsh or inhumane treatment identified. 4.Workers can freely leave the workplace; security guards or other authoritative figures did not restrict workers' freedom of movement beyond what is reasonable. 5.No surveillance was used for the purpose of controlling or intimidating workers. The factory does not stop the workers from communicating with others (inside or outside work), deny their social interaction, or isolate them. 6.No deposits, recruitment fees or costs, or any original documents (I.D. card or school certificate) were retained during employment process. 7. Resignation is free, and wages are paid to resigned workers on time after reasonable notice (usually 30 days in advance). 8.Wages were paid in time in line with law requirements, no more than monthly. 9.No debt or loans were intentionally provided to workers. 10.No involuntary prison labor was identified during the audit. 11.Workers work overtime voluntarily, no case of forced overtime identified. 12.A designated top management was responsible for ensuring employment is freely chosen. Details: 1. The facility policy to ensure employment is freely chosen was reviewed. The policy includes the following clause: the facility does not require deposit or withhold employees' ID cards; the facility does not limit the employees' freedom; there is no forced, bonded, or involuntary prison labor; and employees are free to leave their employer after reasonable notice. 2. Training of forced, bonded or involuntary prison labor for all employees at the time employee, and re-fresh training was conducted once per year for all employees. 3. As per workers interview, they were free to leave their working stations once their shifts end, all overtime work was voluntary, and they are not required to pay any 'deposits' or withheld their ID cards. 4. Employees' manual, Factory rules 5. Personnel files records 6. Resignation 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	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

← Code area 1

Code area 2 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Recruitment management procedure” in place. The procedure indicated that the factory would check workers ID cards during recruitment processes, no recruitment fee was required to be paid by workers. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for ensuring responsible recruitment and entitlement to work is complied with legal requirements in the factory. Assignment letter was approved by General Manager who was familiar with labor laws, regulation and other requirements on recruitment issues. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. HR staff and managements were trained in communication of company policy and procedures to new workers, all existing workers were trained on above policy and procedures during annual refresh training based on the annual training plan. Training exam was taken to ensure communication was effective. Monitoring: (Robust) Regular monitoring was carried out to ensure responsible recruitment and entitlement to work. HR department was responsible for implementing the policy and procedures on recruitment. New workers interviews were conducted within the first month to ensure workers entered the factory as per factory policy. Regular management review was conducted annually to review effective implementation status and seek continuous improvement.

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	1.During hiring processes, the factory would review original photographic identification to validate that all workers have the legal right to work. 2.Personnel files records included workers I.D. cards indicated all workers had legal right to work. 3.Employee contracts reviewed with the indicated nature of work, working conditions, living conditions, employment terms, living costs, wages and benefits were communicated and signed by workers during recruitment process. 4.The factory hired workers directly; no labor agents or labor contractors were used by the factory. No recruitment fee was paid by the workers during recruitment processes. Details: 1. Employees' manual 2. Factory rules 3. Personnel files records 4. Training records 5. Labor contracts 6. Management 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	85%
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	The ethnic background of all management and production workers was mainland Chinese, 85.7% workers were migrated from other provinces of Jiangxi, Henan, ect. All workers were recruited directly by the facility.

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	15

Recruitment fees

	China
Payments made in exchange for work	-

← Code area 1.A

Code area 2 →

Recruitment fees

Recruitment services which are not optional	-
Other or uncategorised	✓

Related costs

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

Illegitimate costs

	China

← Code area 1.A

Code area 2 →

Illegitimate costs

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

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

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

Highest total costs incurred

	China
Currency	CNY
Highest total costs incurred	0.0
Additional comments	No recruitment fee or cost was required to be paid by the workers during recruitment processes. There was no such cost during employment as per interview.

← Code area 1.A

Code area 2 →

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

Management systems

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

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Freedom of association management procedure” in place. The procedure indicated that workers can be free to join or form union or equivalent workers organization, union members and workers representatives worked as communication and negotiation bridge between workers and managements. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for ensuring freedom of association and right to collective bargaining are respected in the factory. He is familiar with labor laws, regulation and other requirements on freedom and association issues. Communication and Training: (Some Improvements Recommended The factory had provided training and communication on relevant policies and procedures for all employees including management, supervisors and workers, and a quiz was conducted after training and communication to make sure their understanding about the policies and procedures. However, not taken tracking on the effectiveness of training about the policy/procedure. Monitoring: (Some Improvements Recommended) Regular monitoring was carried out to ensure Freedom of association and right to collective bargaining are respected. Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. For free join of labor union, in China, union belong to the local city federation of trade union, workers who want to join or form a labor union should be approved by local federation of trade union, so auditor rated this section as Some Improvements Recommended.

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	1. The factory has a written policy on freedom of association, which states that workers are free to form any union or any form of other workers' organization in the facility. 2. Currently, there was no labor union established in the factory. 3. A worker committee was established consisting with workers representatives and management representatives, the workers representatives were elected by workers though votes. 4. Worker representatives are not discriminated against and have access to carry out their representative functions in the workplace. 5. All employees have the right to join labor union even though there was no labor union in the factory. 6. The workers could raise any issue or express their concerns through leaders, worker representatives, suggestion box etc. 7. The meetings between factory management and workers representatives were conducted quarterly to discuss workers grievance and concerns, and corrective action plans were implemented for tShe issues being identified. 8. Per worker interviews, workers expressed that they knew who their representative is, their activities and how they can engage with them. Details: 1. The policy on freedom of association 2. Worker representatives election records 3. Worker representatives and management representatives meeting records 4. Interview with workers committee members 5. Management and 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	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Environment, Health and Safety management procedure” in place. Based on the procedure, the factory should be complied with all legal requirements on health and safety issues. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for ensuring working conditions are safe and hygienic in the factory. He participated in the safety management staff training and obtained the safety management staff certificate. He is familiar with labor laws, regulation and other requirements on health and safety issues. Communication and Training: (Some Improvements Recommended) The policy and procedures were communicated to workers through training, posters etc. Health and safety training were conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. However, based on workers interviews, some workers still reported they did not know some of health and safety risks, the training result was ineffective, and the factory should enhance the training method or frequency to ensure more effective communications. Auditor rated this section as Some Improvements Recommended. Monitoring: (Fundamental Improvements Required) Regular monitoring was carried out to ensure Working conditions are safe and hygienic. Regular inspection and internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. However, implementation is ineffective as isolated lack of supervising workers wearing the required PPE and remind workers of using the correct PPE required. The responsible person knew the requirement but did not remind corresponding workers. So auditor rated this section as Fundamental Improvements Required.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 2

Code area 4 →

3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law	NC	ZAF601524990
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC	ZAF601488781
	3.O Implement an appropriate electrical safet...	Local law	NC	ZAF601524989

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section	The facility had established EHS policies and procedures in place. 1. General Health and Safety management in the factory. • A Senior Manager was responsible for issue of Health & Safety in the factory and obtained the safety management staff license, there was an EHS committee established in the factory. • Minutes of meetings show that there were regularly meetings between EHS committee members and senior managers. • EHS committees conducted risk assessment by departments, high risks were managed by corresponding action plans. • Ventilation, temperature and lighting were adequate for the production processes. • Sufficient clean toilets segregated by gender were available at all time to workers. • The factory provided potable water to workers free of charge in workshop. 2. Structural Safety • The structural safety approval for all buildings were obtained. • No visual crack or obvious structural safety issue were identified for factory buildings. 3. Fire Safety • Fire safety approval was obtained for all buildings used by the factory. • Evacuation plans were posted in all workshops and understood by all interviewed workers. • The adequate number of emergency exits for all workshops were available as per legal requirements. • Sufficient fire-fighting equipment such as fire extinguishers and hydrants in production building. Regular inspection was taken by the factory per month. • Fire drill was conducted in the factory every 6 months according to the fire drill plans and the records, the latest two fire drills were conducted on November 28, 2025 and May 21, 2026 separately which cover all shifts. 4. Electrical safety • All parts of electrical equipment were maintained in good condition such as sockets, plugs, switches, and main fuse boards. • Qualified electricians were presented in the factory and the certificates were available for review. • Electrical equipment was inspected regularly by electrician.However, some of the electrical boxes did not have warning signs posted. 5. Chemical safety • Chemical inventory list was available. • Chemicals were stored separately with anti-leakage facilities, properly labelled, MSDS was posted at the chemical storage and usage areas. • Chemical spill drill was conducted annually with the records in place. • Workers in the chemical store area confirmed that they had been trained on correct handling procedures as well as what to do in an emergency. 6. Medical services

← Code area 2

Code area 4 →

• Sufficient first aid kit in production area and they were well stocked, workers could access them freely.
• Sufficient first aiders were available in the factory cover all shifts and the certificates were provided for review.
• Work incidents were recorded even no work incident happened in the factory for the latest 3 years.
• Medical checks were provided to workers contacting occupational hazards as per legal requirements.
7. Machine safety
• Machine safeguards were assessed and installed before put into use.
• Daily inspection was conducted by operators before daily operation.
• Work instruction was posted beside machines and regular inspection was conducted for machine safety.
• Certificates and inspection reports for special equipment was valid and current.
• Licenses for special equipment operators and special work operators were valid and current.
8. PPE
• PPE were provided to workers where required.
• Training were provided to workers using PPE and responsible person was assigned to monitor the using of PPE during operation.However, some of the workers were not wearing PPE.

Details:
1. Fire-fighting equipment inspection and maintenance records
2. PPE training
3. Workplace occupational hazards factor testing report
4. License for special operation
5. Registration of special equipment
6. Inspection certificate of special equipment
7. Certificate of special equipment operator
8. Fire drill records
9. First aider certificates
10. Drinking water testing report
11. EHS inspection records
12. Management interview and workers' interview.

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601524990

Non-compliance Due 2026-08-20

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

Periodic audit on June 26,2026: New.Verified through factory tour, it was noted factory had provided personal protective equipment such as earplugs to its injection molding workers. However, 2 out of 15 workers didn't wear the earplugs provided during working time at 1/F injection molding section of the production building.
2026年6月26日定期审核：新问题。通过现场审查，在此次审核过程中，审核员发现工厂给注塑车间工人提供了个人劳动防护用品如耳塞，但生产楼1楼注塑车间15名工人中的2名工作时未佩戴工厂提供的耳塞。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that the factory should provide appropriate PPE to workers in injection molding section. Furthermore, the factory shall provide regular PPE training to workers, conduct regular PPE safety inspection at workplace, and develop and implement a Personal Protective Equipment (PPE) program to protect employees from workplace hazards that may cause bodily injury.

Local law reference

Law of PRC on Work Safety article 45. Production and business entities must provide employees with labor protection products that comply with national standards or industry standards and supervise and educate employees to wear and use them in accordance with the rules of use.

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →



NC-No wearing PPE.jpg

* PDF generated at 07:24 (UTC) on 21 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601488781

Non-compliance

Due 2025-09-09

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

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

Description

Periodic audit on June 26,2026: Closed.Verified through factory tour, it was noted MSDSs were posted at the chemical storage area in assembly section on 3/F of production building, for example, chemical of clean solvant etc.
2026年6月26日定期审核：问题关闭。通过现场审查，在此次审核中，审核员发现工厂厂房三楼装配车间储存化学品的位置有张贴其相应的化学品物质安全数据表，例如化学品清洁剂等。

Description (carried over)

New finding ofperiodic audit on July 9, 2025. It was noted that no MSDSs were posted at the chemical storage area in assembly section on 3/F of production building, for example, chemical of clean solvant etc.
2025年7月9日周期审核新问题点：工厂厂房三楼装配车间储存化学品的位置没有张贴其相应的化学品物质安全数据表。例如，化学品清洁剂等。

Status

Closed (2026-06-26)*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →

Intended corrective and preventative actions, based on root cause analysis

Not Applicable

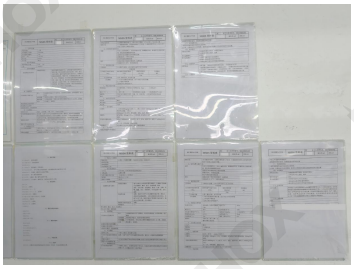
Intended corrective and preventative actions, based on root cause analysis (carried over)

It is recommended that the factory should provide proper chemical safety training to workers, conduct regular chemical safety inspection, carefully review all handling, storage and disposal procedures of hazardous chemicals and display the related Material Safety Data Sheet (MSDS) are written in the local language are available for all workers in the working areas.

Local law reference

In accordance with Regulation For Chemical Usage Safety in Work Place clause 27, 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 chemicalss in the working process. (3) Training upon safety techniques, including training 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.

Evidence



NC correct-MSDS posted.jpg

* PDF generated at 07:24 (UTC) on 21 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601524989

Non-compliance

Due 2026-08-20

Code area

3 Working conditions are safe and hygienic

Status

Open*

← Code area 3

Code area 4 →

Workplace requirement

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

Issue title

227 - Unmarked/incorrect labels/signage/instructions for electrics

Description

Periodic audit on June 26,2026: New.Verified through factory tour, it was noted no warning sign was marked on 1 out of 12 electrical boxes in 1/F injection molding section of the production building.
2026年6月26日定期审核：新问题。通过现场审查，在此次审核过程中，审核员发现生产楼1楼注塑车间12个电箱中的1个没有张贴警示标志。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that the factory should provide proper electrical training to workers, conduct regular electrical safety inspection, ensure that all electricity devices and circuit in the factory are marked with avoid electric shock warning signs.

Local law reference

National Technical Specification for the Safety of Electric Equipment (GB19517-2013), Article 5.7.2, factors related to electrical safety information include but are not limited to: a) Rated values; b) Safety warnings; c) Manufacturer information; d) Safety graphical symbols; e) Wiring diagram; f) Safety colors; g) Safety signs.
Warning Sign in the Guidelines for Safety Signs and Usage GB 2894-2008, article 4.2.3, warning sign, form 2, 2-7, electric shock warning sign set up scope and location: electricity devices and circuit where electric shock may happen.

Evidence



NC-No warn sign.jpg

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →

* PDF generated at 07:24 (UTC) on 21 Jul 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
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)?	No
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Workers organise their own transport
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable No added floors in the facility buildings.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

← Code area 3

Code area 4 →

Does the site have a structural engineer evaluation?	Yes

4. Child labour shall not be used

Management systems

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

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Child labor and juvenile worker protection procedure” in place. Based on the procedure, no child labor can be used by the factory and prevent the placement of young workers in unsuitable positions. It outlined processes and responsibilities, including financial, for undertaking remediation for child labor. The factory would check workers ID card and copies of ID card would be maintained for records keeping. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for implementing the hiring and ensuring child labor is not used in the factory. He is familiar with labor laws, regulation and other requirements on child labor. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training was conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Robust) Regular monitoring was carried out to ensure Child labor is not used. Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no child labor had ever used by the factory. Regular management review was conducted annually to review effective implementation status and seek continuous improvement.

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	1.The factory had established a policy and procedure in place to ensure no child labor shall be used by the factory. Child labor remediation procedure was established and met at least the ILO minimum requirements. 2.The factory would verify all workers' original ID cards at the time of recruitment and keep the photocopies of ID cards in personnel files. 3.All employees' personal files were provided for review. Each employee file includes a bio-data sheet, a recent photo and the age documentation, which is in the form of photocopied national identification card. The card lists the employee's name, household address and the date of birth. 4.Hiring procedure and related protection policy of young workers were also kept in place even no child labor or juvenile workers were working at the factory currently. 5.No intern or apprentice was used by the factory. Details: 1. Personal file 2. I.D. card copies 3. Roster of employees 4. Management and workers interview

← Code area 3

Code area 5 →

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	12%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	18
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

← Code area 4

Code area 5 →

5. Legal wages are paid

Management systems

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

← Code area 4

Code area 5.A →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Wages and benefit management procedure” in plassce. Based on the procedure, wages and benefits should be complied with legal requirements. Resource: (Robust) Mr. Qiao / Manager was assigned to responsible for ensuring legal wages are paid in the factory. He is familiar with labor laws, regulation and other requirements on wages and benefits. Communication and Training: (Fundamental Improvements Recommended) The policy and procedures were communicated to workers through training, posters etc. Related training was conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. However, based on workers interview, more than 50% of sampled workers did not know they needed to enroll into social insurance and stated they could choose to enroll or not. The communication methods were not effective enough to ensure workers received properly. As it was a systemic issue, auditor raised it as Fundamental Improvements Recommended. Monitoring: (Fundamental Improvements Recommended) Regular monitoring was carried out to ensure Legal wages are paid. Internal audits were conducted by qualified internal auditors for labor management systems and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, the factory complied with all legal requirements on wages and benefits. Regular management review was conducted annually to review effective implementation status and seek continuous improvement. However, 75% of workers were not enrolled in social insurance per their comments of not being willing to enroll as wages would be deducted per month. As it was a systemic issue, auditor raised it as Fundamental Improvements Recommended.

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 ZAF601488779

← Code area 4

Code area 5.A →

Systems and evidence examined to validate this code section	1.Written wage & benefits policy (involving relevant local law regarding Minimum Wages, Overtime wage and social insurance policy, paid annual leave, sick leave etc.) in place stated in the social compliance management manual which had clearly been communicated to all workers via labor contracts, factory rules (covered disciplinary measures policy / deductions from wages) posting and training etc. 2.During this audit, the factory provided 12 months' payrolls (from May 2025 to April 2026) for review. A sample of these records provided for the months of April 2026 (most recent month), November 2025 (random month) and July 2025 (random month) were reviewed. As per factory management and provided payrolls, wages for all workers were calculated on an hourly basis and paid through bank transfer at 30th of each month. Based on provided payrolls and time attendance records, both workers' basic wages and overtime wages were above the legal requirements, workers hourly wages ranged from RMB19.26 to RMB23.44 per hour, which were above the local minimum wage of RMB2080 per month/RMB11.95 per hour since March 1, 2025. Overtime wage was paid at 150%, 200% and 300% of workers normal rate for overtime on normal workdays, rest days and official public holidays respectively, and total paid wages ranged from RMB4679 to RMB5980 per month. The gap between reported wages and legal requirements was nil and the percentage of workers being paid below the minimum wage was nil. For social insurance, a total of 59 employees (excluding 9 retired employees and 2 new employees) were eligible to receive five types of social insurance in June 2026 according to the law. However, through review of social insurance enrolment, only 15 employees were enrolled in pension insurance, unemployment insurance, medical insurance, occupational injury insurance and child-bearing insurance. Remark:the factory provided commercial insurance for 36 employees with the valid date from June 29, 2025 to June 28, 2026. Wage slip detailing: basic wages, hourly wage rate, normal working hours, overtime working hours, holiday working hours, normal working hours wage, overtime working hours wage, statutory holidays allowance, paid leave, total monthly wages were provided to each worker. 3.No deduction from workers' payment for disciplinary sanctions was identified. 4.The legal required paid leave and breaks, for example paid annual leave, sick leave etc. were provided as per legal requirements. 5.Pay slips were provided to workers before payment was issued. 6.No in-kind benefits were used as part of payment by the factory. Details: 1. Employee handbook 2. Wages and benefits policy 3. Various leave records and corresponding payment records 4. Resigned workers time and payroll records 5. Payroll and attendance records 6. Social insurance and payment receipts

← Code area 4

Code area 5.A →

7. Disciplinary records
8. Management & workers interview

← Code area 4

Code area 5.A →

Findings: non-compliances

ZAF601488779

Non-compliance Due 2024-10-05

Code area

5 Legal wages are paid

Workplace requirement

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

Issue title

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

Description

Periodic audit on June 26,2026: Open.Verified through document review, it was noted that a total of 59 employees (excluding 9 retired employees and 2 new employees) were eligible to receive five types of social insurance in June 2026 according to the law. However, through review of social insurance enrolment, only 15 employees were enrolled in pension insurance, unemployment insurance, medical insurance, occupational injury insurance and child-bearing insurance.
Remark:the factory provided commercial insurance for 36 employees with the valid date from June 29, 2025 to June 28, 2026.
2026年6月26日定期审核：问题保持开放。通过文件审阅， 审核员发现在2026 年 6月共有59 名员工 (不包括19名退休员工和2名新入职员工) 应参加五类社会保险。然而，通过审查社会保险登记名单，只有15名员工参加了养老保险，失业保险，医疗保险，生育保险和工伤保险。备注：工厂为36名员工提供了商业团体意外伤害保险，有效期从 2025 年 6 月 29 日至 2026 年 6 月 28日。

Description (carried over)

Periodic audit on July 9,2025: It was noted that a total of 61 employees were eligible to receive five types of social insurances in June 2025 according to the law (excluding 11 employees who reached retiring age). However, through review of social insurance enrolment list, only 10 employee was enrolled in pension insurance, occupational injury insurance, unemployment insurance. 11 employees enrolled in medical insurance and child bearing insurance.
Remark: The factory has provided commercial incident injury insurance to 36 employees, valid from June 29, 2025 to June 28, 2026.
在此次审核中，审核员发现在2025年6月61名符合参保的员工中（不包含11名退休工人），只有10名员工参加了养老保险、工伤保险、失业保险; 11名员工参加了医疗保险和生育保险。备注：工厂为36名员工提供了一份有效期从2025年6月29号到2026年月28号的商业保险。

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

It is recommended that the factory should ensure all eligible employees are entitled with all five types of social insurance schemes and therefore receive all their statutory welfare to comply with the Law. Under situations, some employees might be reluctant to be enrolled and contribute to such social insurance schemes, the factory should host training sessions to help them understand the importance of contributing toward social insurance schemes.

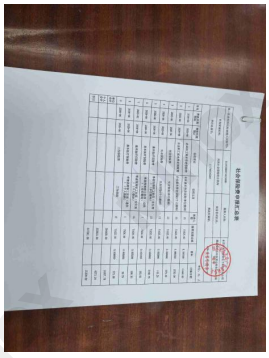
Intended corrective and preventative actions, based on root cause analysis (carried over)

It is recommended that the factory should ensure all eligible employees are entitled with all five types of social insurance schemes and therefore receive all their statutory welfare to comply with the Law. Under situations, some employees might be reluctant to be enrolled and contribute to such social insurance schemes, the factory should host training sessions to help them understand the importance of contributing toward social insurance schemes.

Local law reference

In accordance with Social Insurance Act of the People's Republic of China, article 2, the state establishes basic pension insurance, basic medical insurance, occupational injury insurance, unemployment insurance, maternity insurance to form the social security system, to protect citizens' right to receive material assistance from the state and society in accordance with the law from old age, illness, work injury, unemployment, childbirth, etc.
Article 4. Employers and employees within the territory of the People's Republic of China should pay social insurance premiums in accordance with the law.

Evidence



NC_Insufficient social insurance.jpg

* PDF generated at 07:24 (UTC) on 21 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	The legal minimum wage Wages meet a living wage Wages are based on job skills and experience
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	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	20.0
	Max hours per month	90.0
Minimum legal wage	**Min per hour**	11.95
	Min per day	95.6
	Min per week	Non applicable
	Min per month	2080.0
Actual minimum wage	**Actual per hour**	19.26
	Actual per day	154.08
	Actual per week	Non applicable
	Actual per month	3351.0

← Code area 5

Code area 5.A →

Minimum legal overtime wage	**Min per hour**	17.92
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	28.89
	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 April 2026 (most current month) 10 samples from November 2025 (random month) 10 samples from July 2025 (random month)
Are there different legal minimum/ legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Above legal minimum
Indicate the breakdown of workforce per earnings	100% of the workforce earning above minimum wage.
Are there any bonus schemes used?	No

← Code area 5

Code area 5.A →

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

← Code area 5

Code area 5.A →

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	1.The factory had established a living wage investigation and calculation procedure in place. 2.Wages and benefits paid for a standard working week meet, at a minimum, national legal standards. 3.The factory implemented the Full-Fledged Anker Methodology to calculated the total living wage of a family based on the following key elements: food, housing, education, transportation, clothes, energy and water consumption, saving for handling emergency affairs and divided the total workforce in the factory to obtain a single person living wage, the calculated living wages were RMB2777, the calculated living wages plus legal deductions of social insurance, housing fund and personal tax were lower than the wages of lowest one paid by the factory. No gap was detected between the calculated living wage and the paid wages to workers. Details: 1. Payroll records 2. Living wages investigation and calculation procedure 3. Cost summary sheet of basic needs for all workers 4. Gap analysis sheet between calculated living wages and workers actual wages 5. Attendance records 6. Local legal minimum wage documents 7. Wages and benefits policy 8. Labor contracts for all employees 9. Pay slips of all interviewed workers 10. Workers and management interview

← Code area 5

Code area 6 →

6. Working hours are not excessive

Management systems

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

← Code area 5.A

Code area 7 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Working hours management procedure” in place. Based on the procedure, all overtime hours should be complied with legal requirements, breaks, rest days and holidays are defined and provided to workers as per legal requirements. Resource: (Robust) Mr. Qiao / Manager was responsible assigned to responsible for ensuring working hours are not excessive in the factory. He is familiar with labor laws, regulation and other requirements on overtime working hours. Communication and Training: (Fundamental Improvements Recommended) The factory provided training and communication on relevant policies and procedures for all employees including management, supervisors and workers, and a quiz was conducted after training and communication to make sure their understanding about the policies and procedures. However, monthly overtime hours exceeded the legal requirement of 36 hours per month at maximum. It's recommended to communicate the policy to all the workers again. Monitoring: (Fundamental Improvements Required) Regular monitoring was carried out to ensure Working hours are not excessive. Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, the factory could not control working hours to comply with legal requirement as most workers wanted to work overtime to earn more money, and rush shipment turnround made the factory hard to establish the production plan to balance the shipment period and no excessive working hours to workers. The monitoring process of control overtime hours were not implemented, as it is a systemic failure case of missing monitoring, auditor rated this section as Fundamental Improvements Required.

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 ZAF601488780
	6.I Undertake a review of appropriate frequen...	Base code	NC ZAF601524991

← Code area 5.A

Code area 7 →

Systems and evidence examined to validate this code section	1.There was a written policy established on working hours and overtime hours, as well as a system for monitoring working hours and overtime hours. Policy and Procedures for special terms for young workers and pregnant women are also in place. 2.The factory keeps an electrical attendance recording system to ensure the attendance system to be accurate. 3.During this audit, the factory provided 14 months' time attendance records (from May 2025 to June 26 2026) for review. A sample of these records provided for the months of April 2026 (most recent month), November 2025 (random month) and July 2025 (random month) were reviewed. Based on provided time attendance records, workers' working hours were 10 hours a day, 60 hours a week, with the average being 59 hours per week. The most continuous working days without rest were 6 while the average continuous working days without rest were 6. 4.Overtime hours were voluntary, and workers could refuse without penalty. 5.Overtime wages were paid at 150%, 200% and 300% of employee normal rate wages for overtime on normal workdays, rest days and official public holidays respectively. 6.Workers received all legally required rest and meal breaks, including continuous rest hours between shifts. Details: 1. Employee handbook 2. Wages and benefits policy 3. Various leave records 4. Resigned workers time records 5. Payroll and attendance records 6. Production records 7. Management and workers' interview

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601488780

Non-compliance Due 2024-10-05

Code area

6 Working hours are not excessive

Workplace requirement

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

Issue title

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

Description

Periodic audit on June 26, 2026: Open.Verified through document review, it was noted that that the monthly overtime hours of 10 out of 10 randomly selected workers (from all sections) exceeded 36 hours in April 2026 (Current month) with the highest of 82 hours; 10 out of 10 randomly selected workers (from all sections) exceeded 36 hours in November 2025 (Random month) with the highest of 90 hours; 10 out of 10 randomly selected workers (from all sections) exceeded 36 hours in July 2025 (Random month) with the highest of 86 hours. (Remark: The daily overtime for all workers were within 3 hours with the highest of 2 overtime hours per day.) 2026年6月26日定期审核：问题保持开放。通过文件审阅， 审核员发现，在2026年4月（当前月）随机抽取的10名工人中有10名工人（来自所有车间）的月加班时间超过36小时，最高达到82小时；在2025年11月（随机月），随机抽取的10名工人中有10名工人（来自所有车间）的月加班时间超过36小时，最高达到90小时；在2025年7月（随机月），随机抽取的10名工人中有10名工人（来自所有车间）的月加班时间超过36小时，最高达到86小时。（备注:所有员工每日加班时间均在3小时以内，最高为每日加班2小时。）

Description (carried over)

Periodic audit on July 9,2025: It was noted that the monthly overtime hours of 10 out of 10 randomly selected workers exceeded 36 hours in December 2024 (Random month) with the highest of 82 hours; 10 out of 10 exceeded 36 hours in September 2024 (Random month) with the highest of 72 hours; 10 out of 10 exceeded 36 hours in May 2025 (Most current month) with the highest of 70 hours; No workers had worked more than 3 overtime hours per day. 在此次审核中，审核员发现在随机抽取的10名工人中，有10名工人的月加班时间在2024年12月（随机月）超过36小时，最高达到82小时；在2024年9月（随机月），随机抽取的10名工人中有10名工人月加班时间超过36小时，最高达到72小时；在2025年5月（当前月），随机抽取的10名工人中有10名工人月加班时间超过36小时，最高达到70小时。没有工人每天加班超过3小时。

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 →

Intended corrective and preventative actions, based on root cause analysis

It is recommended that the factory should arrange reasonable production plan, increase productivity using positive means (such as bonuses) and reduce the overtime hours to ensure it is within 3 hours per day and 36 hours per month. Employees should be educated on health/safety dangers of excessive overtime.

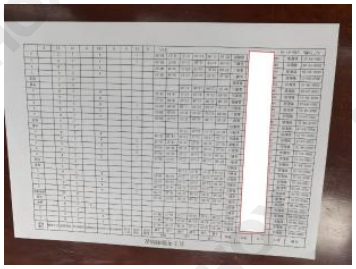
Intended corrective and preventative actions, based on root cause analysis (carried over)

It is recommended that the factory should arrange reasonable production plan, increase productivity using positive means (such as bonuses) and reduce the overtime hours to ensure it is within 3 hours per day and 36 hours per month. Employees should be educated on health/safety dangers of excessive overtime.

Local law reference

In accordance with PRC Labor Law article 41, the employer may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.

Evidence



NC_Excessive overtime.jpg

* PDF generated at 07:24 (UTC) on 21 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601524991

Non-compliance

Due 2026-10-19

Code area

6 Working hours are not excessive

Status

Open*

← Code area 6

Code area 7 →

Workplace requirement

6.l Undertake a review of appropriate frequency of the working hours of individual workers and the workforce as a whole and use this review to responsibly manage overtime.

Issue title

908 - There is a review conducted of working hours with the intention of responsibly managing overtime, but it is not adequate or does not lead to demonstrable corrective action

Description

The factory established the working hours control system and undertook a review of the individual workers' working hours including overtime hours through annual internal risk assessment. However, the system was not adequate, because the overtime were still not limited well, the excess monthly overtime hours were found in all sampled workers during this audit. 工厂有建立工时管理制度，并通过年度内部风险评估对工人们的工作时间（包括加班时间）有进行审查。然而，该制度并不完善，因为加班时间的控制仍不够有效，在此次审核中，所有抽样的员工都存在每月加班时间超时的情况。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that the factory should arrange reasonable production plan, increase productivity using positive means (such as bonuses) and reduce the overtime hours to ensure it is within 3 hours per day and 36 hours per month. Employees should be educated on health/safety dangers of excessive overtime. 建议工厂合理安排生产计划，提高生产效率并采用积极的方式如奖金减少工人的加班时间在每天3小时，每月36小时以内。工厂应培训工人了解的超时加班对工人健康安全的影响。

Time given to resolve

90 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Base code

* PDF generated at 07:24 (UTC) on 21 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

← Code area 6

Code area 7 →

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	150%, 200% and 300% of normal rate for overtime hours on normal working days, rest days and public holidays respectively.
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?	59.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	60.0
Maximum number of days worked without a day off in sample	6

← Code area 6

Code area 7 →

7. No discrimination is practiced

Management systems

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

← Code area 6

Code area 8 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure “Anti-discrimination management procedure” in place. The procedure indicated that the factory would not discriminate applicant's race, ethnicity, color, sex, religion, political views, ethnic origin, social origin, disability, HIV/AIDS status, sexual orientation, pregnancy/childbearing status, marital status, family responsibilities, age (other than the legal minimum working age) or nationality/foreign worker status. Workers at the same position get the same wages. Resource: (Robust) Mr. Qiao / Manager was assigned to responsible for ensuring no discrimination is practiced in the factory. SHe is familiar with labor laws, regulation and other requirements on anti-discrimination. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training was conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Some Improvements Recommended) Responsibilities for monitoring implementation of anti-discrimination were defined in hiring procedure, promotion management regulation, workplace management regulation and grievance management regulation etc. The procedure required that audit of the records kept of this verification was conducted monthly by Mr. Qiao / Manager, however, it was recommended to increase the monitoring to weekly at times of peak hiring period.

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	1.The factory has written policy on anti-discrimination as well as policy on compensation, promotion, and training etc. 2.New staff hiring policy and advertisement indicates that no pregnancy or health check (HIV testing, HB check) was required. 3.No discrimination is practiced, taking particular consideration of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. 4.Gender and ethnic balance between workers and middle management is proper. 5.Workers have an equal approach in recruitment, training, development and promotion processes. 6.There's grievance channel (suggestion box or anonymous phone line etc.) for workers to report any discrimination. 7.The factory had a dedicated gender equity approach in recruitment, training, development and promotion processes. Details: 1. Factory policy, hiring procedure, 2. Employee handbook, 3. Payrolls records, 4. Training records, 5. Employee contracts, 6. Termination records, 7. Medical check records, 8. Management and workers' interview

← Code area 6

Code area 8 →

7. No discrimination is practiced

Data points

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

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

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

← Code area 7

Code area 8.A →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy and procedure on employment management. In the procedure, no labor agent or contractor was allowed to hire workers. All workers were hired directly. Resource: (Robust) Mr. Qiao / Manager was assigned to responsible for ensuring employment followed with legal requirements in the factory. He is familiar with labor laws, regulation and other requirements on hiring process, no labor agent or contractor was allowed to hire workers. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training was conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Some Improvements Recommended) Internal audit and management review were conducted once a year to monitor the site's performance and continual improvement in this field. Moreover, responsibilities for monitoring implementation of employment management procedure were defined. The procedure required that audit of the records kept of this verification was monthly conducted by Mr. Qiao / Manager , however, it was recommended to increase the monitoring to weekly at times of peak hiring period.

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	1.Work performed was on the basis of recognized employment relationship established through national law and normal practice. 2.The factory hired workers directly and they never used any home-workers or agency workers. 3.No apprentice or temporary worker was working in the factory. 4.The factory signs labor contracts with employees on the day of confirmed employment, and all workers can have their own copy of the contract and pay slip. 5.HR staff were aware of local law concerning above worker pattern. Details: 1. Factory policy, employee handbook 2. Labor contracts 3. Hiring and termination records 4. Personal files 5. Job advertisement posters 6. Management and worker's interview

8. Regular employment is provided

Data points

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

← Code area 8

Code area 8.A →

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

Management systems

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

← Code area 8

Code area 9 →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The factory had established policy on sub-contracting, homeworking, and external processing, as well as written policy and procedure in place to control external working. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for ensuring no subcontracting and homeworkers were used in the factory. He is familiar with labor laws, regulation and other requirements on using subcontractors and homeworkers, and clients were not allowed for using of subcontractors and homeworkers. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training was conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Robust) Regular monitoring was carried out to ensure no Sub-contracting and homeworkers are used. Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no subcontractor and homeworker was noted in the past 2 years.

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	1.The factory established policy on sub-contracting, homeworking, and external processing, as well as written policy and procedure in place to control external working. 2.The factory posted customers' Code of Conduct in the facility. 3.Through site tours, no sub-contracting and homework was used by the factory. 4.Review of material receiving/releasing records in warehouse, good releasing registration records in security guard room, purchase orders and production output records, the factory production capacity was sufficient to support current orders from their clients. No sub-contracting and homeworkers were used by the factory. Details: 1. Factory policy, 2. Various production and warehouse records checking 3. Management & workers interview 4. Site observations

← Code area 8

Code area 9 →

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

Data points

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

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?	
Are full records of homeworkers available at the site?	
Does the supplier buy products or services from suppliers that use homeworkers?	No The facility didn't allow their suppliers to use homeworker as per the policy; no homeworker was used and noted by the facility and its suppliers as per the suppliers' assessment reports.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?	No No subcontractor was used by the facility, and there was no such concern as per onsite tour, document review and interview.

← Code area 8.A

Code area 9 →

Are any sub-contractors used?	No

← Code area 8.A

Code area 9 →

9. No harsh or inhumane treatment is allowed

Management systems

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

← Code area 8.A

Code area 10.A →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The facility had established a written Anti-harsh and inhumane treatment management procedure in place. The procedure indicated no cases of physical, verbal, psychological harassment, violence or abuse were allowed by the factory. Resource: (Robust) Mr. Qiao / Manager was assigned to responsible for ensuring no harsh or inhumane treatment is allowed in the factory. He is familiar with labor laws, regulation and other requirements on inhumane treatment. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training were conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Some Improvements Recommended) Internal audit and management review were conducted once a year to monitor the site's performance and continual improvement in this field. Moreover, responsibilities for monitoring implementation of employment management procedure related to “No harsh or inhumane treatment is allowed” were defined. The procedure required that audit of the records kept of this verification was monthly conducted by Mr. Qiao / Manager, however, it was recommended to increase the monitoring to weekly at times of peak hiring period.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 8.A

Code area 10.A →

Systems and evidence examined to validate this code section	1.The factory had established an anti-harsh or inhumane treatment policy. The policy states that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited in this facility. 2.The disciplinary procedure only includes oral warning, written warning and education, which was confirmed through worker's interview. 3.The factory has established grievance mechanism with non-retaliation policy and allow workers to report issues anonymously. Related training records and grievance records / documented evidence were maintained in place. 4.Security practices were humane and comply with customers' expectations. No bodily searches were conducted by the security guards. 5.No facilitated harsh or inhumane treatment of workers, including gender-based violence and harassment was identified. 6. The factory provided anti-harsh or inhumane treatment training for workers to prevent harsh or inhumane treatment in the workplace. Admin supervisor was responsible for monitoring the implementation of the training. Per the training records review and worker interviews, all workers were trained and acknowledged their rights. Details: 1. Policy of prevention of harassment and abuse. 2. Internal grievance procedure and grievance records. 3. Training records 4. Disciplinary records 5. Management and employee interview

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	Yes, there is a formal grievance process The grievance process is available to all workers The grievance process is available to members of the local community
What type of grievance mechanism(s) are available?	Report to worker representatives, leaders, supervisors and managers directly, write grievance to suggestion box to top management.
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

← Code area 9

Code area 10.A →

10.A. Environment 2-Pillar

Management systems

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

← Code area 9

Code area 10.B →

Management systems

Explanation for management systems grades	Policy and Procedure: (Robust) The facility had established a written environmental management procedure in place. The procedure indicated that the factory would ensure the factory would comply with the legal requirement on environment aspects. Resource: (Robust) Mr. Qiao / Manager was assigned to be responsible for ensuring the factory complied with environmental requirements. He is familiar with environmental laws, regulation and other requirements. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training were conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Robust) Regular monitoring was carried out to ensure the factory comply with the legal requirement on environment aspects. The regular inspection for environmental factors including air emission, boundary noise and domestic wastewater was conducted annually and the result was within regulatory limits. Internal audits were conducted for environmental management system and corrective actions were implemented to ensure continuous improvement.

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	1.The site has established Environmental policy concerning environment issue (including hazardous waste disposal handling procedures) 2.The management staff responsible for environmental issues was aware of local laws / regulations governing environment, keeping the law up to date. 3.The factory had assessed the legal and customers' requirements on environmental factors, action plans for potential gaps were implemented. 4.The factory obtained the environmental impact assessment documents examined and approved by authorized environmental protection department, and the environmental acceptance check report was obtained. 5.The annual monitoring reports for air emission, wastewater and boundary noise were provided for review, and the results are within the restriction per environmental law. 6.The factory maintained a list of hazardous substances (e.g. chemicals and pesticides) used in manufacturing or in purchased components. Ensure they are compliant with their clients' requirements and relevant legislation in the destination countries for those substances. Details: 1.Environmental policy and procedures 2.Environmental impact assessment report and approval 3.Environmental acceptance check report 4.Fixed pollutant sources registration form 5.Law list on environmental aspects concerned by the factory 6.Hazardous substances list 7.Workers and Factory management interview 8.Site observations

← 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?	The facility has obtained the Environment Impact Report and Approval, Environmental Protection Completion Acceptance for its environmental projects.
Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?	No
Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?	Yes The facility has established reduction targets for water consumption and discharge, waste, energy and green-house gas emissions.

← 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	1.The site has established Environmental policy concerning environment issue (including hazardous waste disposal handling procedures) 2.The factory conducted environmental factors analysis and raised the risk level, control measures were implemented. 3.Targets and objectives on electricity, water and waste reduction were established, and key performance indicators were monitored. 4.The factory monitored and mitigated the site's impact on biodiversity. Details: 1.Environmental policy and procedures 2.Law list on environmental aspects concerned by the factory 3.Hazardous substances list 4.Targets and objectives on resource-use. 5.Key performance indicator data 6.Workers and Factory management interview 7.Site observations

← Code area 10.A

Code area 10.C →

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Responsible use and management of water Sustainable material sourcing Circular economy and resource efficiency
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes The facility has established an environmental policy for managing clients' requirements and legislation.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes The facility has implemented programs to reduce energy consumption and GHG emissions. Targets and tracking records indicated the reduction plan was implemented effectively.
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Yes The facility has checked the suppliers' relevant environmental licenses and their environmental police before conducting business.

Usage/discharge analysis

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

← Code area 10.B

Code area 10.C →

Total electricity consumption from non-renewable sources (kWh)	1,735,210	1,753,540
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	Onsite generated None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	0	0
Has the site completed any carbon footprint analysis?	No	No
Water sources	Municipal sewage system	Municipal sewage system
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	4,795	4,850
Water discharged	Municipal sewage system	Municipal sewage system
Water volume discharged (m3)	4,365	4,795
Water volume recycled (m3)	0	0
Total waste produced (mt)	11.2	11.5
Total hazardous waste produced (mt)	0.2	0.2

← Code area 10.B

Code area 10.C →

Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	0
Waste to other (mt)	0	0
Total product produced (mt)	3,450	3,500

← Code area 10.B

Code area 10.C →

10.C. Business ethics

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policy and Procedure: (Robust) The facility had established a written Company business ethic procedure in place, the procedure indicating no unethical business behavior would be allowed and grievance channel, investigation processes were in place and provided to all concerned parties. Resource: (Robust) Mr. Qiao / Manager was assigned to responsible for ensuring the factory complied with business requirements. He is familiar with business laws, regulations and other requirements. Communication and Training: (Robust) The policy and procedures were communicated to workers through training, posters etc. Related training was conducted as per annual training plan for existing workers and orientation training for new workers. Training exam was taken to ensure communication was effective. Monitoring: (Robust) Regular monitoring was carried out to ensure no unethical behavior happened in the factory. Internal audits were conducted for business management system and corrective actions were implemented to ensure continuous improvement. No unethical issuing was reported in the past 2 years.

← Code area 10.B

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	1.The factory established a company business ethic code of conduct. 2.The plant manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery. 3.The factory conducted risk assessments to identify the potential risk of bribery, corruption or any fraudulent or unethical business practices and implement measures to mitigate these. 4.Personal data were properly protected, and only authorized personnel could have access to ensure privacy protection. 5.The company business ethics code of conduct was communicated to workers through posters and training. 6.There was an internal grievance process, which was an anonymous email address to report any unethical issues, non-retaliation policy was implemented to protect the reporters. Details: 1.The company business ethics code of conduct 2.Business ethic risk assessment reports 3.Worker handbook 4.Business ethic training records 5.Reports from Anonymous email account 6.Worker and 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	Nil

← Code area 10.C

Attachments

LRQA-CN-SMTA-360104_Photo form_DongGuan Mi-Ho Plastic Electronic Technology Co.,Ltd_June 26, 2026.pdf

LRQA-CN-SMTA-360104_Signed CAPR_DongGuan Mi-Ho Plastic Electronic Technology Co.,Ltd_June 26, 2026.pdf