

# Sedex Members Ethical Trade Audit Report

Version 7



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# Audit content

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

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

## 2-pillar audits include:

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

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

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

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

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

# Audit details

## Site details

<b>Sedex site reference</b>	ZS403841311	<b>Site name</b>	Anhui Coolbaby Science & Technology Development Corporation
<b>Business name</b>	Anhui Coolbaby Science & Technology Development Corporation	<b>Site address</b>	North Industry Park, Jin'an Zone, Lu'an City, Anhui Province 安徽省六安市金安区城北工业园 Lu'an City CN 237000

## Audit details

<b>Sedex company reference</b>	ZC403732319	<b>Auditor company name</b>	SGS-China
<b>Audit company address</b>	No. 430, Jihua Road, Bantian, Longgang District, Shenzhen, CN, 518129		
<b>Date of audit</b>	2026-04-20	<b>Audit conducted by</b>	Lisa Li
<b>Audit pillars</b>	Labour Standards   Health and safety   Environment 4-Pillar   Business ethics		
<b>Time in and out</b>	Day 1	Day 2	Day 3
	In 09:00	In 09:00	In 09:00
	Out 17:00	Out 17:00	Out 17:00
<b>Audit type</b>	Periodic		

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Was the audit announced? Semi announced

Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? Zhang Xiaoyan / QA

Any conflicting information SAQ/Pre-Audit Info No

Is further information available? No

### Audit attendance

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

# SMETA declaration

## Auditor team

### SMETA declaration

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

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

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

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

This audit is semi-announced with 4 weeks window (Apr. 15, 2026-May 14, 2026).

<b>Lead auditor</b>	Lisa Li	<b>APSCA Number</b>	32200769
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<b>Additional auditor</b>	Kahlil Xu	<b>APSCA Number</b>	32400886
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<b>Date of declaration</b>	2026-04-22
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## Site representation

<b>Declaration</b>	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.
<b>Full name</b>	Zhang Xiaoyan
<b>Title</b>	QA
<b>Date of declaration</b>	2026-04-22

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.F Have a system in place to measure the eff...		GE <a href="#">ZAF601405905</a>
	3.M Ensure all machinery is installed, mainta...	Local law Base code	NC <a href="#">ZAF601390684</a>
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC <a href="#">ZAF601390683</a>
	5.B Ensure that workers receive the insurance...		GE <a href="#">ZAF601405906</a>
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC <a href="#">ZAF601390682</a>
10.A. Environment 2-Pillar	10.A.C Have a system in place for identifying...		GE <a href="#">ZAF601405907</a>

# 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

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

 Not addressed

 Fundamental improvements required

 Some improvements recommended

 Robust management systems

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# Site details

## Company and site details

Sedex company reference	ZC403732319	
Sedex site reference	ZS403841311	
Company name	Anhui Coolbaby Science & Technology Development Corporation	
Business ownership type	GOODS	
Site name	Anhui Coolbaby Science & Technology Development Corporation	
Site name in local language	安徽酷豆丁科技发展股份有限公司	
GPS location	GPS address	Business license address: North Industry Park, Jin'an Zone, Lu'an City, Anhui Province. The actual address of the factory is: No. 24, Longshu West Road, Jin'an District, Lu'an City, Anhui Province and Northwest of the intersection of Longshu Road and Wutong Road, Jin'an District, Lu'an City, Anhui Province. After on-site verification by the auditor, the above addresses are confirmed to be the same location and both locations have been included in the audit scope.
	Coordinates	Latitude: 31°48'1", N Longitude: 116°32'41" E and Latitude: 31°48'8", N Longitude: 116°31'53".
Is the worksite in a remote location, far from habitation?	No	

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## Company and site details

<b>Site contact</b>	<b>Contact name</b>	Zhang Xiaoyan
	<b>Job title</b>	QA
	<b>Phone number</b>	13329195018
	<b>Email</b>	lwj@ah-kdd.com
<b>Applicable business and other legally required business license numbers and documents</b>	Business license number: 91341500MA2N166J74, Valid from: Oct 13, 2016 to long term.	

## Site activities

<b>Site function</b>	Factory Processing/Manufacturer Finished Product Supplier	
<b>Site activities</b>	<b>Primary</b>	Other manufacturing n.e.c.
	<b>Secondary</b>	
	<b>Other</b>	
<b>Product type</b>	Baby buggies, baby cribs.	
<b>Process overview</b>	<p>The main products in the factory were baby buggies, baby cribs.          The main production process was as follow: Steel cutting, Pipe bend, Punching, Polishing, Welding, Coating line, Pre-treatment, Powder coating, Mixing, Injection molding, Fabric cutting, Embroidery, Sewing, Printing, Assembling, Packing.          Number of production lines: 25.          Main equipment used in this factory: Injection molding machines, punching machines, sewing machines, injection molding machines, etc.</p>	
<b>What level of mechanization best describes the work at this site?</b>	Fair mechanisation / manual Labour	

## Site scope

<b>Is the audited site a physically continuous area?</b>	No	
	The actual address of the factory is: No. 24, Longshu West Road, Jin'an District, Lu'an City and Northwest of the intersection of Longshu Road and Wutong Road, Jin 'an District, Lu'an City Anhui Province.	
<b>Building 1</b>	<b>Last construction works on site</b>	2012
	<b>If building is shared, provide details</b>	NA
	<b>Number of floors</b>	1
	<b>Description of floor activities</b>	workshop

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[Worker analysis →](#)

## Site scope

Building 2	Last construction works on site	2013
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	warehouse
Building 3	Last construction works on site	2012
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	workshop
Building 4	Last construction works on site	2016
	If building is shared, provide details	NA
	Number of floors	5
	Description of floor activities	1F-5F: office, lab and sample show room
Building 5	Last construction works on site	2011
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	1F-3F: workshop.
Building 6	Last construction works on site	2014
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	1F-3F: warehouse.

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## Site scope

<b>Building 7</b>	<b>Last construction works on site</b>	2011
	<b>If building is shared, provide details</b>	NA
	<b>Number of floors</b>	3
	<b>Description of floor activities</b>	1F: workshop 2F: office 3F: workshop
<b>Building 8</b>	<b>Last construction works on site</b>	2011
	<b>If building is shared, provide details</b>	NA
	<b>Number of floors</b>	5
	<b>Description of floor activities</b>	1F: canteen, office, and convenience store 2F-office and dormitory 3F-5F: dormitory.
<b>Building 9</b>	<b>Last construction works on site</b>	2022
	<b>If building is shared, provide details</b>	NA
	<b>Number of floors</b>	2
	<b>Description of floor activities</b>	1F: warehouse and workshop; 2F: workshop
<b>Building 10</b>	<b>Last construction works on site</b>	2024
	<b>If building is shared, provide details</b>	NA
	<b>Number of floors</b>	1
	<b>Description of floor activities</b>	warehouse.

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## Site scope

Building 11	Last construction works on site	2024
	If building is shared, provide details	NA
	Number of floors	2
	Description of floor activities	1F: warehouse; 2F: workshop.
Building 12	Last construction works on site	2024
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	workshop
Building 13	Last construction works on site	2025
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	warehouse
Building 14	Last construction works on site	2025
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	management staff canteen
Is there any difference between the site scope of the audit and the Sedex site profile?	No	

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## 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? Yes

Is the accommodation within the perimeter of the site audited? Onsite

Is the accommodation contractually mandated for workers? Optional

Who provides the accommodation? Site

Was all accommodation (whether directly or via third parties, off or onsite) included in this audit? All  
All dormitories were included in the audit.

Does the site organise worker transport to the worksite? Not provided  
There is no legal requirement that the site must provide transport for workers.

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## Work patterns

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

Is there any night shift work at the site? Yes

The injection molding workers in two shifts: the day shift is from 7:30 to 11:30 and 15:30 to 19:30; the night shift is from 19:30 to 23:30 and 3:30 to 7:30.

What night shift audit activities were conducted? Interviews conducted during day shift (rotated workers)

What percentage of the workforce, including temporary and agency workers, work during the night shift? 30%

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? No

The audit did not conducted across all shift times. This audit did not involve the night shift time audit, so only 15 day shift time workers were selected of the shift workers for this audit.

## Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact? ISO 45001 (OHS), ISO 14001 (Environmental management)

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## 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 factory had assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.

**Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?** No

There was no Human Rights Impact Assessment (HRIA) conducted within the last three years at this site.

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# Worker analysis

Gender disaggregated data available      Men and women

## Worker totals

	Men	Women	Other	Total
Number of workers	454 (43.2%)	596 (56.8%)	- -	1050 (100%)

## Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	454 (43.2%)	596 (56.8%)	- -	1050 (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	17 (48.6%)	18 (51.4%)	- -	35 (3.3%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	17 (48.6%)	18 (51.4%)	- -	35 (3.3%)

\* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from Hubei, Sichuan and Jiangsu Provinces.

## Workers by age

	Men	Women	Other	Total
18 - 24 years old	29 (60.4%)	19 (39.6%)	- -	48 (4.6%)
15 - 17 years old	0 -	0 -	- -	0 (0%)
Under 15 years old	0 -	0 -	- -	0 (0%)

\* % of total workforce

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[Worker interviews →](#)

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

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	43%	57%	-	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	454 (43.2%)	596 (56.8%)	- -	1050 (100%)
Salaried workers	0 -	0 -	- -	0 (0%)

\* % of total workforce

## Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 (0%)
Paid weekly	0 -	0 -	- -	0 (0%)
Paid monthly	454 (43.2%)	596 (56.8%)	- -	1050 (100%)
Other	0 -	0 -	- -	0 (0%)

\* % of total workforce

If other payment cycle entered, please provide details NA

## People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	43 (63.2%)	25 (36.8%)	- -	68
Supervisors or team leaders	26 (70.3%)	11 (29.7%)	- -	37
Administrative staff	8 (19%)	34 (81%)	- -	42

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[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      4 workers x 8 groups, total 32 workers

Did workers understand the purpose of the audit?      Yes

Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers?      Yes

**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)

NA. No negative feedback.

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

Accommodation standards  
Communication (e.g. from management)  
Equal opportunities  
Overtime

**Additional comments**

All workers said they were satisfied with the working conditions at the factory and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. The workers could raise their suggestions effectively to the supervisor, factory manager, general manager or worker representative, and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns, such as working condition to woker representative who would take it to the worker management committee.

**Attitude of workers' committee/union representatives**

Interviewed with the worker representative, she said factory management were very care about workers and paid more attention to deal with workers' suggestion or complain. The worker representative showed that the management was kind and the workplace was comfortable. No negative information was identified.

**Attitude of managers**

The factory management agreed that the auditors could access to all facilities, compound documents and records requested by the auditors, to take photo of the factory, to copy relevant document records and to conduct confidential worker's interview. During the audit, management showed they were willing to gradually improve all issues found onsite.

## Workers interviewed by type

	Total
Permanent workers	52
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
<b>Total number of workers interviewed</b>	<b>52</b>

## Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	15	17	-	32
Workers interviewed individually	8	12	-	20

## Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	0	2	-	2
International migrant workers interviewed	0	0	-	0
<b>Total migrant workers interviewed</b>	<b>0</b>	<b>2</b>	<b>-</b>	<b>2</b>

# Measuring workplace impact

Gender disaggregated data available      Men and women

## Annual worker turnover (%)\*

	Men	Women	Other	Total
Last full quarter (90 days)	2.0%	5.0%	-	7.0%
Last full calendar year (2025)	5.0%	9.0%	-	14.0%
Previous full calendar year (2024)	2.5%	5.0%	-	7.5%

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

## Rate of absenteeism (%)\*

	Men	Women	Other	Total
Last full quarter (90 days)	0.2%	0.3%	-	0.5%
Last full calendar year (2025)	0.2%	0.3%	-	0.5%
Previous full calendar year (2024)	0.2%	0.3%	-	0.5%

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

Based on the document review, no injury case was happened in the factory during last 12 months.

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[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](#)

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

Previous full calendar year (2024)	0.0%	0.0%	-	0.0%
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### Percentage of workers that work on average more than 60 total hours in a given week

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

# 0. Enabling accurate assessment

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1.The company was co-operative during the audit time and allow the auditor to conduct and complete the audit without obstruction to all requested documents, interviewees and the facility itself.</li> <li>2.There were no tampering or inconsistent documents found.</li> <li>3.No integrity case was occurred during the audit.</li> <li>4.The Sedex SAQ was available for review, and no conflicting information was founded.</li> <li>5.The company had a policy, endorsed at the highest level, covering human rights impacts and issues, and ensured it is communicated to all appropriate parties, including its workers and own suppliers.</li> <li>6.Administrative Manager was a designated person responsible for implementing standards concerning Human rights.</li> </ol> <p>Evidence examined:</p> <ol style="list-style-type: none"> <li>1.Employee handbook</li> <li>2.Business licenses of the factory and the property owner.</li> <li>3.Procedures on social accountability</li> <li>4.Management and worker interview</li> </ol>		

0. Enabling accurate assessment

## Data points

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

Did any workers selected by the auditor decline to be interviewed? No

Were any external stakeholders such as consultants, customer representatives, industry experts etc. present during the audit? No

# 1. Employment is freely chosen

## Management systems

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

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

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

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

## Management systems

### Explanation for management systems grades

- 1.The factory has formulated written policies and procedures regarding Forced Labour, which outlines the key mechanisms for preventing forced labour. This procedure includes content of freedom of employment, resignation, overtime, and movement, for example, workers could be freely resignation after communication with management in advance 30 days notification. The factory regularly reviews and updates of these policies and procedures, which are signed by the top management, and posts them on the employees' noticeboard.
- 2.One senior manager was assigned responsibility for implementation and the manager was aware of his responsibilities. The manager has received a high level of external training on forced labour and has used his knowledge to develop effective processes in place.
3. Training at site is specifically managed by the training manager. The recruitment policies are available and communicated to all workers. Training on the recruitment policies is mandatory for all HR staff processing applications or onboarding.
- 4.Responsibilities for monitoring implementation of legitimate right to work are defined by the Recruitment Procedure. The procedure requires that this verification is conducted by the HR Manager. The factory retains records such as ID copy in workers' personnel records to evidence that workers that they employ have the legal right to work. HR manager regularly checks the authenticity and legality of workers' materials to effectively protect workers' rights.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

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

Current systems:

- 1.The factory had established the effective employment policies & program. Employees could be freely resignation after communication with management in advance 30 days notification.
- 2.The workers did not need to pay any fees or deposits to the factory when they join the factory.
- 3.The terms and conditions of employment in the handbook state that the workers are free to leave the workplace outside of their working hours.
- 4.No forced, bonded or involuntary prison labour was identified during the audit.

Evidence examined:

- 1.Factory rules
- 2.Employee handbook
- 3.Personnel files
- 4.Resignation records
- 5.Labour contracts
- 6.Management and worker interview

1. Employment is freely chosen

## Data points

If required under local law, is there a published 'modern slavery' or similar statement? Not Applicable

Does the site utilise any workers who are prisoners? No

Does the site use the labour of persons required to work under any government scheme? No

# 1.A. Responsible recruitment and entitlement to work

## Management systems

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

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

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

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

**Explanation for management systems grades**

- 1.The factory "Social Responsibility Management Manual" and"Employee Manual"outlining the systems in place to manage this issue at the site includes all relevant requirements of the code area, and further detail can be found in the recruitment management system and employee rights. Documents clearly assign responsibilities, processes in place and address all code areas. For example, the factory stipulates and implements free entry in the recruitment process.
- 2.The factory has appointed a manager in charge of this area, who has the necessary skills and has the seniority to manage Workplace Requirements, and is aware of his responsibilities.
- 3.The factory director has received a high level of external training on responsible recruitment and employee rights and has used his knowledge to develop effective processes in place. However, there are still oversights in how the training and communication programme is managed and some improvements are recommended, some employees do not understand this knowledge.
- 4.HR department check the authenticity and legality of employees' materials to effectively protect employees' rights and interests,the factory retains records such as ID copy in workers' personnel records to evidence that workers that they employ have the legal right to work. HR manager regularly checks the authenticity and legality of workers' materials to effectively protect workers' rights.

[← Code area 1](#)

[Code area 2 →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1.All workers in the factory were Chinese. Some migrant workers came from other provinces. All workers had the proper legal rights to work in this region.</li> <li>2.The factory had established recruitment procedures and employment procedures, and the factory would review the workers' original documents such as ID cards during the recruitment.</li> <li>3.No foreign worker was used by the factory.</li> <li>4.No third-party services were used by the factory. Based on document review, management interview and worker interview, workers did not need to pay any fees (such as recruitment fees, training fees, and file fees)upon joining the factory.</li> <li>5.The company does not charge any recruitment fees (recruitment fees, training fees, and file fees) for workers. The factory has clearly stipulated in the recruitment process that it will not charge any fees from workers. All expenses incurred during the recruitment process are borne by the factory, such as the cost of occupational disease physical examinations and onboarding training.</li> </ol> <p>Evidence examined:</p> <ol style="list-style-type: none"> <li>1.Hiring procedure</li> <li>2.Personnel files and labour contracts</li> <li>3.Employee handbook</li> <li>4.Employee roster</li> <li>5.Worker and management interview</li> </ol>		

## 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 3%

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 Hubei, Jiangsu and Sichuan provinces.

### 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	123

### Recruitment fees

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

[← Code area 1.A](#)

[Code area 2 →](#)

## Recruitment fees

Other or uncategorised	-
------------------------	---

## Related costs

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

## Illegitimate costs

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

[← Code area 1.A](#)

[Code area 2 →](#)

## Illegitimate costs

Payments made to illegitimate actors during the course of employment	-
--	---

Other or uncategorised	-
------------------------	---

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

China

Yes - to a recruiter	-
----------------------	---

Yes - to the audited site	-
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Yes - to a third party	-
------------------------	---

No - could not verify	✓
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## Highest total costs incurred

China

Currency	CNY
----------	-----

Highest total costs incurred	0.0
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Additional comments	NA
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[← Code area 1.A](#)

[Code area 2 →](#)

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

### Management systems

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

Robust Management Systems

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

Robust Management Systems

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

Some Improvements Recommended

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

## Management systems

### Explanation for management systems grades

1.The factory has formulated written policies and procedures about freedom of association and the right to collective bargaining, including the worker representative election process and requirements. The procedures recognize workers' rights to freedom of association and the right to collective bargaining. The factory posts them on the employees' noticeboard to inform workers of their right to join or form an independent trade union or worker committee, and their rights to collective bargaining.

2.Based on the procedures, there is a designated individual responsible for ensuring the implementation of the site policies. She is responsible for the policies' approval and regular review. She is clear about specific operational responsibilities for implementing the procedures, such as encouraging workers to select worker representative.

3.The factory provides relevant training to all workers and the training covers the content of workers' right to join or form an independent worker representatives, and their rights to collective bargaining. And the procedures about freedom of association and the right to collective bargaining are available and communicated to all workers. Through interviewed, the workers are encouraged by the factory to join or form a worker representatives. But a few workers did not remember the content of the training.

4.The election records including ballot record of worker representatives are kept and provided for review which show that the worker representatives are freely elected. The factory provides worker representatives with a safe and unmonitored space to conduct their work when needed. Meeting between worker representatives and the site are conducted regularly. The meeting notes and the evidence of action taken by management to address concerns reported by workers through the established worker representatives are provided for review.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

[← Code area 1.A](#)

[Code area 3 →](#)

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

Current systems:

- 1.The Chinese constitution guarantees Freedom of Association; however, the Trade Union Act prevents the establishment of trade unions independent of the sole official trade union – the All-China Federation of Trade Unions (ACFTU). As a consequence, all trade unions of factories in China are under the management of ACFTU. And most of the trade union representatives are appointed directly by it. Additionally, the trade union activity is limited on the right to organize and bargain collectively in China.
- 2.The factory established written policy on freedom of association. 18 worker representatives were elected by workers, regularly meeting between worker representatives are carried out, the presentation and communication was effective.
- 3.Workers could raise their grievances or complaint to their worker representatives or management directly.

Evidence examined:

- 1.Worker representatives meeting minutes.
- 2.Site policy on freedom of association.
- 3.Workers interview.
- 4.Representative interview.
- 5.Management interview.

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

### Data points

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

[← Code area 2](#)

[Code area 3 →](#)

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

### 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	Some Improvements Recommended
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
Explanation for management systems grades	<p>1. The factory established “Occupational Health and Safety Management Manual” to ensure working conditions are safe and hygienic, that includes all relevant requirements of the code area, such as building safety, fire safety, electrical and machine safety, chemical safety, first aid, PPE, etc.</p> <p>2.The factory has appointed a Manager who is responsible for ensuring compliance of the module,and has received a internal training on the policy and used the knowledge to develop effective processes in the factory. But this role was also taking responsibility for other management, not a dedicated role.</p> <p>3. The factory has set up an EHS safety committee to communicate and train relevant personnel, but some gaps in training and communication of policy and procedures to all relevant workers, such as employees did not know the importance of fire drills.</p> <p>4.A Manager monitored the implementation of policies directly, but Fundamental Improvements Required to ensure the monitoring system robust. The following NCs in the CAP need to have corrective action, such as some sewing machines did not have finger guards and some foot pedals on the punching machines were not equipped with protection devices.</p>

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.F Have a system in place to measure the eff...		GE <a href="#">ZAF601405905</a>
	3.M Ensure all machinery is installed, mainta...	Local law Base code	NC <a href="#">ZAF601390684</a>

[← Code area 2](#)

[Code area 4 →](#)

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

Current systems:

1. General Health and Safety management

- A Manager was responsible for the issues of Health & Safety in the factory.
- Minutes of regular meetings between H&S committee and H&S management was provided for review.
- Ventilation, temperature and lighting were suitable for workers in the workshop.
- Clean toilets segregated by gender were available for the workers.
- The factory provided clean potable water for workers in the workshop.
- There were at least 2 exits from each work area and these were clearly marked.

2. Fire Safety

- Evacuation plan map was posted in the workshop and understood by all interviewed workers.
- Sufficient fire-fighting equipment such as fire extinguishers and hydrants were available in the workshop.
- Fire drills were conducted in the factory regularly and the latest fire drill was conducted on Jan. 28 2026, and related records were provided for review.

3. Electrical safety

- All electrical equipment were maintained in good condition such as sockets, plugs, switches and main fuse boards.
- Electrician's qualification certificate was provided for review.

4. Medical services

- First aid kits were available in production area.
- The factory had qualified first responders.

5. Machine safety

- Workers were trained on machinery operation, some sewing machines were not equipped with finger guards and some foot pedals on the punching machines were not equipped with protection devices.

Evidence examined:

1. Health and safety policy
2. Health and safety committee minutes
3. Training records and certificates
4. Fire drill records
5. Trained first aider register
6. Accident records
7. Interviews with H&S manager
8. Interviews with workers and H&S committee members
9. Onsite observation
10. Occupational Disease Physical Examination Report

# Findings: non-compliances

ZAF601390684

Non-compliance

Due 2025-06-20

## Code area

3 Working conditions are safe and hygienic

## Status

Open\*

## Workplace requirement

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

## Time given to resolve

30 days

## Issue title

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

## Verification method

Desktop audit

## Description

Based on onsite observation, approximately 50% of the sewing machines of the audited factory did not have finger guards, 80% of the foot pedals on the punching machines in the steel parts workshop were not equipped with protection devices.

基于现场观察，被审核工厂约50%的缝纫机未安装护指装置，钢件车间的80%的冲压机的脚踏板没有安装防护装置。

## Area of non-compliance/non-conformance

Local law

Base code

## Description (carried over)

Based on site observation, 60% sewing machines were not installed with finger guards.

根据现场审核，车间60%的缝纫机没有安装护指环。

## Corrective and preventative actions

The factory shall ensure that all sewing machines are fitted with guard rings and all foot pedals of punching machines were equipped with protective devices.

工厂应确保所有的缝纫机都安装了护指环，所有冲压机的脚踏板安装了防护装置。

## Corrective and preventative actions (carried over)

The factory shall ensure that all sewing machines are fitted with guard rings.

工厂应确保所有的缝纫机都安装了护指环。

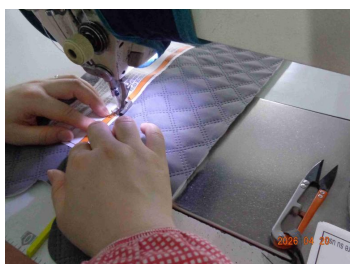
[← Code area 3](#)

[Code area 4 →](#)

**Local law reference**

"General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1 Movable parts 6.1.1 Movable parts accessible to personnel shall be closed or isolated as far as possible. 6.1.2 Necessary safeguard shall be installed for all moving parts that are accessible to the operator during machine operation. 6.1.3 Reliable limit device shall be provided for production equipment or parts that may exceed the limit position during operation. 6.1.4 If the kinetic energy or potential energy of the movable parts (including their loads) may cause danger, it must be equipped with speed limit, antifalling or anti-reversing devices 6.1.5 Design of safeguard shall fulfill following requirements: - Disable the operator to access moving parts of running machine. The protection distance should be in accordance with the requirements of GB12265; - Under the emergency as operator is close to moving parts and may have danger, the device shall not be able to start, or should automatically stop or brake. - Avoid the danger caused by accessing the gap between safeguard and moving parts. -Safeguard shall be easy to adjust, inspect and maintain, and shall not become the source of danger. -Safeguard shall comply with the reliability criteria requirements of product standard. 6.1.6 Base on the horizontal surface of operator's workplace, all the followings with height less than two meters must be installed with safeguard: exposed dangerous parts and position of transmission belt, axle, transmission chain, coupling, pulley, gear, flywheel, sprocket wheel, electric saw. "

**Evidence**



[foot pedals without protection devices.jpg](#)



[no finger guards.JPG](#)



[No finger guards.jpg](#)



\* PDF generated at 09:27 (UTC) on 29 Apr 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

# Findings: good examples

ZAF601405905

Good example

## Code area

3 Working conditions are safe and hygienic

## Workplace requirement

3.F Have a system in place to measure the effectiveness of health and safety training carried out. Ensure training content is understood/implemented by workers.

## Description

Based on document review, the factory obtained the ISO45001:2018 certificate, and the Certificate NO: 0070023S51115R2M, valid from May 17, 2023 to May 16, 2026.

文件审核发现，工厂获得了ISO45001:2018证书,证书编号：0070023S51115R2M，有效期从2023年5月17日至2026年5月16日。

## Evidence



[ISO 45001.JPG](#)



[← 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)?	Yes Degreaser, phosphating solution, ink, lubricating oil, etc
Who organises accommodation for workers?	The company owns or operates worker accommodation (onsite)
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Not applicable
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable NA, there was no structural additions on this site.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

[← Code area 3](#)

[Code area 4 →](#)

Does the site have a structural engineer evaluation? Yes

[← Code area 3](#)

[Code area 4 →](#)

## 4. Child labour shall not be used

### Management systems

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

## Management systems

### Explanation for management systems grades

- 1.The position of the company is clearly stated in the Child Labour Prevention and Remediation Policy which meets all Workplace Requirements in this code area. The Policy makes reference to the Hiring Procedure, which outlines the key mechanisms in place for preventing underage work and the placement of young workers in unsuitable positions. This procedure includes provision for non-employee (agency) workers. The Remediation Procedure outlines processes and responsibilities, including financial, for undertaking remediation.
- 2.The senior manager was assigned responsibility which includes all areas of the business. Procedures are in place for interim responsibility and the manager was directly responsible for the compliance of the process. Applicants would be asked to provide original ID cards and verified during recruitment.
- 3.Training is assigned to training manager. The Child Labour Prevention and Remediation Policy is available and communicated to all workers, however there is low awareness of it amongst staff interviewed, for example, all interviewed workers clearly knew the legal age and they all met the legal age when they joined the factory. But some workers didn't know the relevant requirement about young workers.
- 4.Responsibilities for monitoring implementation of age-verification are defined by the Hiring Procedure. The procedure requires that audit of the records kept of this verification is conducted by the management. Records of monitoring activities were in place. Any identification of misapplication of procedures, or concerns about application are escalated for action in the weekly management meetings.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

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

## Current systems:

- 1.The company established a policy on workers recruitment that workers must present their original ID card to proof their ages while recruiting, once workers have joined their original copies of ID card were kept in their personnel file. And the policy stated that the company never employed and used any child labor under the age of 16 years old.
- 2.The company established a policy to protect young workers which stated given a regular health check and will be registered with the local labor office, also did not arrange young workers to hazardous post.
- 3.Checks of all workers files showed that no child labor or young worker was identified during the audit. The youngest worker in the company was 19 years old, who was born on Apr.7, 2007 and entered the company on Nov. 27, 2025.
- 4.Remark: In China, minimum age of worker is 16 years old. Workers between 16 -18 are regarded as young labor.

## Evidence examined:

- 1.Policy on workers recruitment
- 2.Personnel files including the ID card copies of workers
- 3.Roster and labor contracts of all workers
- 4.Worker and management interview

#### 4. Child labour shall not be used

## Data points

Percentage of workers that are age 24 or younger	4%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	19
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?	No

[← 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	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Fundamental Improvements Required
Monitor the effectiveness of procedures to meet policy and workplace requirements	Fundamental Improvements Required

## Management systems

### Explanation for management systems grades

1. The factory established procedure and policy about wages and benefit, include minimum wage, overtime wage, social insurance, statutory holiday and annual leave, etc., that's updated according to legal requirement.
2. A senior manager was assigned responsibility for implementation and aware of his responsibilities. He has sufficient authority to ensure the proper implementation of the policy. He will be responsible for overseeing that employees' wages are paid correctly and that eligible employees receive social security benefits. The workers also understand the process and the factory will also hold regular training and every point is implemented. However, there is a lack of regular training to ensure that management meets the necessary standards.
3. All employees have received an internal training on what kind of social insurance should they have of training programs and have used their knowledge to develop effective processes in place. Regular communication channels, such as team meetings, bulletin boards, and internal messaging systems, are used to remind employees of the what kind of social insurance should they have. Due to workers' incomprehension of the training content and incomplete communication, the training results are different from the ideal results, such as the workers themselves are unwilling to pay social security.
4. Adherence to the processes is monitored via departmental reporting to the General manager, adequate management of the work area cannot be ensured because of gaps with monitoring procedures, therefore, there is a NC of insufficient social insurance.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC <a href="#">ZAF601390683</a>
	5.B Ensure that workers receive the insurance...		GE <a href="#">ZAF601405906</a>

[← Code area 4](#)

[Code area 5.A →](#)

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

Current systems:

1. All workers' wages were calculated by hourly rate.
2. A minimum wage guarantee system has been established for all workers. The minimum wage for workers was CNY 2958 per month, above the local legal requirement (CNY 1930 per month before Sep. 01, 2025, CNY 2170 per month after Sep. 01, 2025 ).
3. The company paid 150% of normal wage rate for weekday overtime, 200% of normal wage rate for weekend overtime and 300% of normal wage rate for statutory holiday overtime, which was in line with legal requirement.
4. The company provided social insurances for some workers.
5. All workers were paid at the end of next month by bank transfer and it was agreed by all workers, each worker was given a pay slip and signed for their wages.
6. All workers were provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

Evidence examined:

1. Payroll records from Jun. 2025 to Feb. 2026
2. Attendance records
3. Local legal minimum wage documents
4. Wages and benefits policy
5. Labor contracts
6. Leave records and resignation records
7. Payment receipts of social insurance
8. Workers and management interview

# Findings: non-compliances

ZAF601390683

Non-compliance

Due 2023-02-02

<p><b>Code area</b></p> <p>5 Legal wages are paid</p> <p><b>Workplace requirement</b></p> <p>5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.</p> <p><b>Issue title</b></p> <p>423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic</p> <p><b>Description</b></p> <p>The factory did not provide five social insurances for some appropriate age workers. There were 1197 employees, 68 management staffs and 1129 workers (including 178 retired workers and 0 workers less than one month on the job), based on social insurance payment records of the factory, the factory provided five social insurances for management staffs, only 523 (55%) workers were provided with pension and unemployment insurance, 525 (55.2%) workers were provided with medical and maternity insurance, and 712 (74.9%) workers were provided with work injury insurance. Remark:The factory purchased accidental injury insurance for the remaining workers, valid from Mar. 3, 2026 to Mar.2, 2027. 工厂未给部分适龄工人提供五项社会保险。工厂有1197名员工，68名管理层和1129名工人（包含178名退休工人及0名入职不满一个月的工人），根据工厂提供的社保缴费记录显示，工厂给管理层提供了五项社会保险，只给523(55%)名工人提供了养老和失业保险，525(55.2%)名工人提供了医疗和生育保险，712(74.9%)名工人提供了工伤保险。备注：工厂为其余工人购买了意外伤害险，有效期为2026年3月3日至2027年3月2日。</p>	<p><b>Status</b></p> <p>Open*</p> <p><b>Time given to resolve</b></p> <p>90 days</p> <p><b>Verification method</b></p> <p>Follow up audit</p> <p><b>Area of non-compliance/non-conformance</b></p> <p>Local law</p>
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[← Code area 5](#)

[Code area 5.A →](#)

### Description (carried over)

The factory did not provide five social insurances for all workers.

There was total 1502 workers (including 300 retired workers and 0 workers less than one month on the job), based on social security payment records of Apr. 2025, the factory provided pension and unemployment insurance to 950 workers (79%), medical and maternity insurance to 938 workers (78%), and injury insurance to all workers, provided the commercial accident insurance for other workers(valid from 2024/6/21 to 2025/6/20, 2024/9/30 to 2025/9/29, 2024/10/24 to 2025/10/23, 2024/11/17 to 2025/11/16, 2024/11/30 to 2025/11/29 and 2024/12/12 to 2025/12/11).

工厂未给所有员工提供五项社会保险。

审核期间工厂共有1502名员工（包含300名退休工人及0名入职不满一个月的员工），根据工厂提供的2025年4月的社保缴费记录显示，工厂给950名员工(79%)提供了养老和失业险，给938名员工(78%)提供了医疗和生育险，给所有员工提供了工伤险,给其余人员提供了商业意外险（有效期分别是:2024/6/21 到 2025/6/20, 2024/9/30 到 2025/9/29, 2024/10/24 到 2025/10/23, 2024/11/17 到 2025/11/16, 2024/11/30 到 2025/11/29和2024/12/12 到 2025/12/11）。

### Corrective and preventative actions

The factory should provide five social insurance to all appropriate age employees in accordance with regulatory requirements. 工厂应按照法规要求给所有适龄员工缴纳五项社会保险。

### Corrective and preventative actions (carried over)

The factory should provide social insurance to all employees as per the legal requirements. 工厂应按照法规要求给所有员工缴纳社会保险

### Local law reference

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

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

Timescales was confirmed by factory.

### Evidence



# Findings: good examples

ZAF601405906

Good example

## 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.

## Description

The factory had provided free work-meals and free accommodation for all workers.  
工厂为所有的员工提供免费的工作餐和免费住宿。

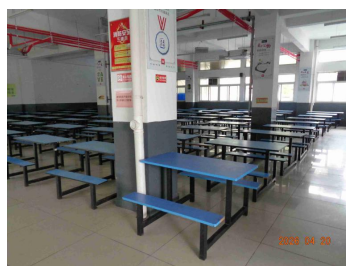
## Evidence



[Kitchen.JPG](#)



[dormitory.JPG](#)



[canteen.JPG](#)

## 5. Legal wages are paid

### Data points

What is the basic wage paid to workers?	<p>Wages meet a living wage</p> <p>Wages are based on job skills and experience</p> <p>The legal minimum wage</p>
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 remuneration

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

### Summary information

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

[← Code area 5](#)

[Code area 5.A →](#)

<b>Maximum legal working hours</b>	<b>Max hours per day</b>	8.0
	<b>Max hours per week</b>	40.0
	<b>Max hours per month</b>	Non applicable
<b>Actual required working hours</b>	<b>Required hours per day</b>	8.0
	<b>Required hours per week</b>	40.0
	<b>Required hours per month</b>	184.0
<b>Maximum legal overtime hours</b>	<b>Max hours per day</b>	3.0
	<b>Max hours per week</b>	Non applicable
	<b>Max hours per month</b>	36.0
<b>Actual overtime hours</b>	<b>Max hours per day</b>	1.0
	<b>Max hours per week</b>	12.0
	<b>Max hours per month</b>	50.0
<b>Minimum legal wage</b>	<b>Min per hour</b>	Non applicable
	<b>Min per day</b>	Non applicable
	<b>Min per week</b>	Non applicable
	<b>Min per month</b>	2170.0
<b>Actual minimum wage</b>	<b>Actual per hour</b>	Non applicable
	<b>Actual per day</b>	Non applicable
	<b>Actual per week</b>	Non applicable
	<b>Actual per month</b>	2958.0

<b>Minimum legal overtime wage</b>	<b>Min per hour</b>	18.7
	<b>Min per day</b>	Non applicable
	<b>Min per week</b>	Non applicable
	<b>Min per month</b>	Non applicable
<b>Actual minimum overtime wage</b>	<b>Actual per hour</b>	25.5
	<b>Actual per day</b>	Non applicable
	<b>Actual per week</b>	Non applicable
	<b>Actual per month</b>	Non applicable

## Wage analysis

<b>Number of workers' records checked</b>	156
<b>Provide the date and details of the records</b>	52 samples from Aug 2025 (random) 52 samples from Nov 2025 (random) 52 samples from Feb 2026 (current)
<b>Are there different legal minimum/legally recognised CBAs wage grades?</b>	No
<b>For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?</b>	Above legal minimum
<b>Indicate the breakdown of workforce per earnings</b>	100% of workforce earning above minimum wage.
<b>Are there any bonus schemes used?</b>	No

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
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1. The factory completed the living wage gap regularly.</li> <li>2. A wage improvement plan (with Living Wage as the goal) was conducted.</li> <li>3. The factory used full fledged Anker methodology conducting a study on workers' living wage on local area, it included the ability to afford a balanced diet, reasonable living space, social life, education, healthcare, and reserves to cope with emergencies. Make sure that it's sufficient for the employee and their family.</li> <li>4. The gap assessment of living wage included all employees, and the actual salary and salary records in the gap assessment were consistent.</li> <li>5. The workers have all reached the living wage.</li> </ol> <p>Evidence examined:</p> <ol style="list-style-type: none"> <li>1. Living wage gap analysis report</li> <li>2. Wage improvement plan</li> <li>3. Payment record</li> <li>4. Local legal minimum wage documents</li> </ol>		

## 6. Working hours are not excessive

### Management systems

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

## Management systems

### Explanation for management systems grades

- 1.The plant's Hours of Work Payroll Control Program Policy and Employee Handbook outlines the plant's current system for managing this issue at the site includes all relevant requirements of the code area. Documents clearly assign responsibilities, processes in place and address all code areas and the details of implementation are clear.
- 2.Human Resources assigned responsibility for implementation.But there was no general director appointed for the region. In practice, the management structure systemically leads to active decisions made to contravene the Base Code Area, such as prioritizing lead times for complete customers, leading to gaps with the management structure.
- 3.All employees have received an internal training on working hours and overtime of training programs and have used their knowledge to develop effective processes in place. Regular communication channels, such as team meetings, bulletin boards, and internal messaging systems, are used to remind employees of the working hour limits and to update them on any changes in the schedule. Due to workers' incomprehension of the training content and incomplete communication, the training results are different from the ideal results.
- 4.Adherence to the processes is monitored via departmental reporting to the General manager, adequate management of the work area cannot be ensured because of gaps with monitoring procedures, such as the workers' monthly overtime exceeds 36 hours.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC <a href="#">ZAF601390682</a>

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

Current systems:

1. The factory provided workers' attendance from Jun. 1, 2025 to the audit day for reviewing.
2. The working time of workers were recorded by facial recognition.
3. Per time records and worker interview, the normal working hour were 8 hours per day and 40 hours per week.
4. The injection molding staff work in two shifts: the day shift is from 7:30 to 11:30 and 15:30 to 19:30, and the night shift is from 19:30 to 23:30 and 3:30 to 7:30. Other production workers had one shift from 07:30 to 11:30, 13:00-17:00, worked 8 hours overtime on some Saturdays.
5. The factory paid 150% of normal rate for the overtime hours at the workdays and 200% for the overtime on the weekends and 300% for the overtime on statutory holidays.
6. All sampled workers weekly working hours didn't exceed 60 hours, the maximum weekly working hours were 52 hours.

Evidence examined:

1. Factory policy on working hours
2. Local and national laws
3. Workers contracts
4. Sample pay slips with recorded hours
5. Attendance records review
6. Production records to cross check working hours
7. Workers and management interview

# Findings: non-compliances

ZAF601390682

Non-compliance

Due 2023-02-02

## Code area

6 Working hours are not excessive

## Status

Open\*

## 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.

## Time given to resolve

90 days

## 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)

## Verification method

Follow up audit

## Description

Workers' monthly overtime exceeded legal requirement 36 hours.  
Based on attendance records from June 1, 2025 to the audit date provided by the factory, no obvious peak/non-peak months in the factory, the months of Aug. 2025 (Random), Nov. 2025 (Random ) and Feb. 2026 (Current month) for 52 sampled workers(covered all positions) were reviewed.

52 samples in Aug. 2025 max monthly overtime were 50 hours.

52 samples in Nov. 2025 max monthly overtime were 50 hours.

52 samples in Feb. 2026 max monthly overtime were 25 hours.

Based on the records, the workers' monthly overtime exceeded 36 hours required by laws.

工人月加班超过法规36小时。

根据工厂提供的2025年6月1日至审核当天的考勤记录，无明显淡季旺季，其中从2025年8月（随机月），2025年11月（随机月）和2026年2月（当前月）各抽取52名工人（覆盖所有岗位）。

52名抽样工人在2025年8月的月加班时间最大为50小时。

52名抽样工人在2025年11月的月加班时间最大为50小时。

52名抽样工人在2026年2月的月加班时间最大为25小时。

所以根据记录，工人的月加班时间超过法规要求的36小时。

## Area of non-compliance/non-conformance

Local law

[← Code area 6](#)

[Code area 7 →](#)

### Description (carried over)

Based on the attendance records provided by factory from Oct 1, 2024 to the audit day, 52 samples (covered all positions) were reviewed from Mar 2025 (Current month), Dec 2024 (Random month) and Nov 2024 (Random month) respectively, the details were as below: 1. 52 sampled workers' the maximum monthly overtime hours were 64 hours in Mar 2025. 2. 52 sampled workers' the maximum monthly overtime hours were 56 hours in Dec 2024. 3. 52 sampled workers' the maximum monthly overtime hours were 62 hours in Nov 2024. Based on the records, the workers' monthly overtime exceeded 36 hours required by laws.

工厂提供了2024年10月1日至审核当日的考勤记录，其中从2025年3月（当前月），2024年12月（随机月）和2024年11月（随机月）各抽取52个样本（覆盖所有岗位）发现：1. 52名抽样员工在2025年3月月加班时间最大为64小时。2. 52名抽样员工在2024年12月月加班时间为最大为56小时。3. 52名抽样员工在2024年11月月加班时间最大为62小时。所以根据记录，员工的月加班时间超过法规要求的36小时。

### Corrective and preventative actions

The factory should take actions to ensure all workers' monthly overtime hours be in accordance with the legal requirements (i.e. no more than 36 hours per month). 工厂应采取确保员工的月加班时间符合法规的要求，每个月不超过36小时。

### Corrective and preventative actions (carried over)

The factory should take actions to ensure all workers' monthly overtime hours be in accordance with the legal requirements (i.e. no more than 36 hours per month). 工厂应采取确保员工的月加班时间符合法规的要求，每个月不超过36小时

### Local law reference

Labor Law of the People's Republic of China (2009 Amendment), Article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours

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

Timescales was confirmed by factory.

### Evidence



## 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?	NA. It is not allowed under local law.
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?	50.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	52.0
Maximum number of days worked without a day off in sample	6

[← Code area 6](#)

[Code area 7 →](#)

## 7. No discrimination is practiced

### Management systems

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

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

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

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

## Management systems

### Explanation for management systems grades

- 1.The factory has established policies and procedures regarding discrimination, including approach regarding recruitment, training, development and promotion processes, system on wages and transparency in remuneration, etc. Also, the implementation, clearly assigned responsibilities, and processes are formulated in the policy.
- 2.The Senior Director is responsible for ensuring its resourcing, approval and regular review. HR is allocated responsibility to implement the Procedures, which includes all areas, to ensure that employment policies and processes are sufficient to prevent discrimination at all stages of employment.
- 3.The latest policy is available and communicated to all workers. The factory provides internal training for all workers. All interviewed workers were clear about the detailed requirement, they said that they had not encountered any cases of discrimination, all requirements were fair for them. The factory also provides training to personnel responsible for recruitment, training, development, and promotion.
4. Based on procedures, the factory ensures that grievance mechanisms such as suggestion boxes and telephone hotlines are accessible to all workers, regardless of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, and political affiliation. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits. Based on audit results, no grievances case involving discrimination was reported according to the record.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

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

Current systems:

1. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found.
2. There was no evidence of sexual harassment.
3. The management generally knew the requirement of Non-Discrimination.
4. As informed by interviewed workers, most employees spoke highly of the factory management.
5. The factory has established a transparent recruitment process, publicly disclosing job requirements and setting unified screening criteria. It does not treat candidates differently based on factors such as gender, age, race, or religion. All new employees pass the same standard probationary assessment.
6. The factory established policy and procedure on promotion standards and promotion processes, ensured workers to have a clear understanding of the promotion procedures and requirements. Based on management interview and workers interviews, the factory regularly evaluated workers' job performance to determine their opportunities for promotion.
7. Based on management interview and worker interview, the factory provided equal learning opportunities for all workers, ensuring that each worker had the opportunity to improve their skills and knowledge. For instance, workers with lower educational attainment would be given multiple training opportunities to enable them to eventually understand the significance of the training, and they will also be provided with a direct complaint channel to report to their supervisors. The factory developed the training plan to conduct regular skill training for workers, and training records were available for review.

Evidence examined:

1. The hiring and termination procedure, leave application records and employee handbook.
2. Payroll records
3. Attendance records
4. Termination records
5. Training records

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)? 2%

Representation of women in managerial roles (ratio of women workers to women managers) 4%

Representation of women in supervisory roles (ratio of women workers to women supervisors) 1%

Three most common nationalities in managerial and supervisory roles Chinese

## 8. Regular employment is provided

### Management systems

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

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

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

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

**Explanation for management systems grades**

- 1.The factory has established procedures and policies regarding on employment, including the requirements of employment of agency workers, the requirements of labour contracts, etc. The main relevant requirements of the code area, documents clearly assigned responsibilities and processes are detailed in the policy. The factory regularly reviews and updates of these policies and procedures and posts it on the employees' noticeboard.
- 2.HR manager is assigned for reviewing and updating the policies and procedures. She is clear about some information of the operational responsibilities, such as communicating the contractual terms prior to recruitment.
- 3.The factory provides training to all types of workers and the training records are kept. The training content includes the contractual terms, the interviewed workers also confirmed they signed the labour contract and got a copy. However, individual workers do not remember the details of their labor contracts.
- 4.Based on written procedure, internal audits, monitoring of key performance indicators (in particular whether there is excessive use of agency, subcontracted or temporary labour) are carried out annually. Also, the factory periodically reviews the contractual terms to identify any unreasonable terms.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1. According to workers interview and management interview, workers signed contracts with the factory as local law's requirement.</li> <li>2. All interviewed workers indicated that they were provided with contract copies to know all items included.</li> <li>3. No temporary worker, apprenticeship schemes or home worker was identified.</li> <li>4. The factory saved all workers' personal files and contracts for review.</li> <li>5. The factory established employment procedure for workers' recruitment.</li> </ol> <p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> <li>1. The hiring and termination procedure</li> <li>2. Personal files</li> <li>3. Payroll records</li> <li>4. Labour contracts</li> <li>5. Worker and management interview</li> </ol>		

## 8. Regular employment is provided

### Data points

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

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

### Management systems

<p><b>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</b></p>	<p>Robust Management Systems</p>
<p><b>Appoint a manager with sufficient seniority who is responsible for implementing procedures</b></p>	<p>Some Improvements Recommended</p>
<p><b>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</b></p>	<p>Some Improvements Recommended</p>
<p><b>Monitor the effectiveness of procedures to meet policy and workplace requirements</b></p>	<p>Robust Management Systems</p>
<p><b>Explanation for management systems grades</b></p>	<p>1.The factory has established the policy to manage and select subcontractors which outlines the policy on obtaining clients' approval. And “homeworkers are not used” are captured in written policy.</p> <p>2.HR manager is assigned responsibility for implementation and aware of the responsibilities. However, there is a lack of regular training to guarantee that the management meets the requisite standards.</p> <p>3.The factory provides relevant training for workers, but it has not been followed in practice and there have been some improvements it needs to be manufactured, such as workers did not know what homeworkers and sub-contractors are.</p> <p>4.The factory monitors and conducts internal audits on such code area. They always do not use homeworkers and sub-contractors. But based on the procedure, the factory has set up a system in place to assess the working conditions at sub-contracted sites including checking on each sub-contractors to ensure they operate as a legitimate business, undertaking regular assessments to assess that sub contracted workers’ terms of engagement/employment and working conditions accord with local law and the ETI (Ethical Trade Initiative) Base Code, etc.</p>

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1. Confirmed by factory management, no sub-contractor was used by the factory.</li> <li>2. The factory had established social accountability manual including sub-contracting control procedure.</li> <li>3. No homeworking was identified in the factory.</li> </ol> <p>Evidence examined:</p> <ol style="list-style-type: none"> <li>1. Site tour</li> <li>2. Interview with management and workers</li> <li>3. Social accountability manual</li> <li>4. Assessment records</li> </ol>		

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

### Data points

Are homeworkers employed directly or engaged through an agent? Not applicable

Gender disaggregated data available

#### Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homemaker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers? No  
The factory didn't buy products or services from suppliers that use homeworkers.

#### Sub-contracting

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

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used?

No

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[← Code area 8.A](#)

[Code area 9 →](#)

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Audit company:  
**SGS-China**

Audit reference:  
**ZAA600198505**

Start Date:  
**2026-04-20**

End Date:  
**2026-04-22**

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

## Management systems

### Explanation for management systems grades

1.The factory has declared a policy commitment prohibiting harsh or inhumane treatment, including gender- based violence, endorsed at a senior level, which defines what is covered, and includes any unacceptable behaviors or practices, or the threat of those behaviors, that are intended to, result in, or are likely to result in physical, psychology, sexual or economic harm. Also, the factory has established disciplinary policies, which cover the expectations of workers, how performance and behavior is reviewed, and the escalation processes used where needed. The disciplinary processes do not include punitive measures, such as deductions from wages or enforced additional tasks. The factory has established detailed policy and procedure regarding grievance to establish a defined process to address grievances with clear lines of accountability. The policies and procedures cover all workers on site including third party employed workers, and the factory regularly reviews and updates of these policies and procedures and posts it on the employees' noticeboard.

2.Factory's Production Supervisor is assigned for implementing the policies and procedures relevant to disciplinary, grievance, harsh and inhumane treatment. She understands the responsibilities for her own behavior and how to recognize and act if she identifies harsh and inhumane treatment, punitive measures and grievance occurring. However, the factory has not yet appointed another management for interim responsibility of these policies in the case of position change or absence.

3.The factory has developed an annual training programme to communicate and deliver policies and procedures relevant to disciplinary, grievance, harsh and inhumane treatment. All workers at site and the staff in positions of power or authority, such as managers, supervisors, administrative roles such as HR, security guards, etc. have been included in training programmes. There is general awareness of the amongst worker interviewed.

4.The factory conducts internal audits and risk assessment to identify risks relevant to harsh or inhumane treatment, disciplinary and grievance. The risk assessment includes all types of workers at site. The factory has made measure to control risks relate to the risk assessment undertaken, including activities such as developing learning resources and training programmes. Besides, records of disciplinary cases are kept.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

[← Code area 8.A](#)

[Code area 10.A →](#)

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

## Current systems:

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

## Evidence examined:

## Details:

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

9. No harsh or inhumane treatment is allowed

## Data points

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

## 10.A. Environment 2-Pillar

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	<p>1.The factory has declared environmental management manual, which clarifies the organization's environmental goals and commitments, as well as specific environmental management strategies. The manual is reviewed annually.</p> <p>2.Based on the established environment procedure, Head of the Environmental Protection Supervision Department has been appointed to oversee and implement the environment procedure. And EHS committee is established to maintain the factory's system and operation. The EHS meeting is conducted once per quarter to raise and solve related concerns on environment.</p> <p>3.The factory provides environment training for all workers regularly, and the training covers environmental protection, waste treatment, etc. The factory uses posters to keep employees informed about environmental goals, initiatives, and any updates to policies or procedures. However, the frequency of training could be appropriately increased.</p> <p>4.The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audit. However the factory's procedures are not updated regularly, which makes some workers are lack of awareness about environmental protection such as saving water and saving electricity.</p>

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
10.A. Environment 2-Pillar	10.A.C Have a system in place for identifying...		GE <a href="#">ZAF601405907</a>

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

#### Current systems:

1. The factory learned about the environment impact of their site and took continuously management measures to control the environment impact.
2. Based on document review and confirmed with factory management, the factory obtained fixed pollution source discharge registration receipt.
3. Based on workers interview, they were trained on environmental protection.
4. Based on document review, the factory collected related environmental regulations.
5. The factory had procedure on environment protection and a manager was appointed as response for environment performance.

#### Details

1. Environmental policy and procedure
2. Legally required environmental documents were provided for review
3. Worker and management interview
4. Site tour

# Findings: good examples

ZAF601405907

Good example

## Code area

10.A Environment 2-Pillar

## Workplace requirement

10.A.C Have a system in place for identifying and remediating gaps between their clients' environmental standards and the environmental impact of their own operations.

## Description

Based on document review, the factory obtained the ISO14001:2015 certificate, and the Certificate NO: 0070023E51156R2M, valid from May 17, 2023 to May 16, 2026.

文件审核发现，工厂获得了ISO14001:2015证书,证书编号：0070023E51156R2M，有效期从2023年5月17日至2026年5月16日。

## Evidence



[ISO 14001.JPG](#)



[← Code area 10.A](#)

[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?

Based on document review, the factory obtained the ISO14001:2015 certificate, and the Certificate NO: 0070023E51156R2M, valid from May 17, 2023 to May 16, 2026.

Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?

No

Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?

No

[← Code area 10.A](#)

[Code area 10.B →](#)

## 10.B. Environment 4-Pillar

### Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1.The factory learned about the environment impact of their site and took continuously management measures to control the environment impact.</li> <li>2.Based on workers interview, they were trained on environmental protection.</li> <li>3.The factory had procedure on environment protection and one senior manager was appointed to response the compliance of environment requirement.</li> <li>4. The factory has formulated relevant water and electricity conservation plans.</li> <li>5. The factory has kept records of the usage of relevant energy sources (such as electricity).</li> <li>6. The factory conveyed policies such as the environmental improvement plan to relevant suppliers.</li> </ol> <p>Evidence examined:</p> <ol style="list-style-type: none"> <li>1.Environmental policy and procedure</li> <li>2.Worker and management interview</li> <li>3.Site tour</li> </ol>		

## 10.B. Environment 4-Pillar

### Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Packaging optimization
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes The factory has a legal collection procedure to collect local laws and regulations on the environment and customer requirements on the environment.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Yes The factory had monitored the environmental performance of business partners.

### 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)	5,800,000	5,500,000
Total electricity consumption from renewable sources (kWh)	350,000	300,000
Sources of renewable energy used	Onsite generated	Onsite generated
Types of renewable energy used	Solar	Solar
Total natural gas consumption (kWh)	450,000	480,000
Usage of other purchased fuels	0	0
Has the site completed any carbon footprint analysis?	No	No
Water sources	local water authority	local water authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	61,000	60,000
Water discharged	Municipal sewage pipe network and wastewater treatment facilities	Municipal sewage pipe network and wastewater treatment facilities
Water volume discharged (m3)	40,000	40,000
Water volume recycled (m3)	3	3
Total waste produced (mt)	50	40
Total hazardous waste produced (mt)	35	30

[← Code area 10.B](#)

[Code area 10.C →](#)

Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	0
Waste to other (mt)	50	40
Total product produced (mt)	1,500	1,000

[← Code area 10.B](#)

[Code area 10.C →](#)

## 10.C. Business ethics

### Management systems

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

Robust Management Systems

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

Robust Management Systems

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

Some Improvements Recommended

Monitor the effectiveness of procedures to meet policy and workplace requirements

Some Improvements Recommended

Explanation for management systems grades

1.The factory has formulated written policies and procedures regarding business ethics, that include details implementation, clearly assigned responsibilities in place. It regularly undertakes reviews and updates of these policies.

2.There is a designated manager responsible for ensuring the implementation of the site policies. Regular training of business ethics guarantee that all the workers and management meets the requisite standards.

3.The factory had developed an annual training plan, trained employees according to the plan and the training records were provided for review. The training covers Business ethics was in place. However the factory does not assess the effectiveness of the employee training, which need some Improvements.

4.The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audit. However the factory's procedures on business ethics are not reviewed and updated regularly, which makes some workers are lack of awareness about business ethics.

### Summary of findings

[← Code area 10.B](#)

Code area	Workplace requirement	Area of NC	Finding
No findings			
<b>Systems and evidence examined to validate this code section</b>	<p>Current systems:</p> <ol style="list-style-type: none"> <li>1. One senior manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery.</li> <li>2. The factory established a business ethics policy which was communicated to workers through posters and training.</li> <li>3. The site had received and read the Business Ethics policy of the auditor/audit factory.</li> <li>4. There was an internal grievance process including anonymous contact mobile phone, short message, etc.</li> </ol> <p>Evidence examined:</p> <ol style="list-style-type: none"> <li>1.Ethic policy and procedure</li> <li>2.Bribery and Corruption policy</li> <li>3.Training records</li> <li>4.Worker handbook</li> </ol>		

[← Code area 10.B](#)

## 10.C. Business ethics

### Data points

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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

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Provide any certified anti-bribery management systems for the site

No relevant system was available.

[← Code area 10.C](#)

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## Attachments



[SMETA-JSASCN26843459-  
Anhui Coolbaby Science &  
Technology Development  
Corporation-Apr. 20-22,  
2026-Annual-Photo  
report.pdf](#)



[SMETA-JSASCN26843459-  
Anhui Coolbaby Science &  
Technology Development  
Corporation-Apr. 20-22,  
2026-Annual-Onsite  
CAP.pdf](#)

