Sedex Members Ethical Trade Audit Report

Version 7

Sedex, 5 Old Bailey, London, EC4M 7BA, United Kingdom

Contents

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

9. No harsh or inhumane treatment is allowed

10.A. Environment 2-Pillar

10.B. Environment 4-Pillar

10.C. Business ethics

Attachments

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

Audit details

Site details

Sedex site reference	ZS1000042314	**Site name**	Team Fortune Zhihui (Huizhou) Animation Co Ltd
Business name	Team Fortune Zhihui (Huizhou) Animation Co. Ltd.	**Site address**	516223 Floors 1-4 Huangzhuchang Section (Factory Building E of Hongfa Industrial Development Co Ltd.), , Xinlian Village, Xinxu Town, Huiyang District, 广东省惠州市惠阳区新圩镇新联村黄竹场地段（宏发实业发展有限公司厂房E)1至4楼, Huizhou, CN

Audit details

Sedex company reference	ZC5000036162	**Auditor company name**	Benchmarks Company Limited
Audit company address	Unit 9-11, 7/F., Block B, Proficient Industrial Centre,, 6 Wang Kwun Road, Kowloon Bay, Hong Kong, HK, -		
Date of audit	2025-09-19	**Audit conducted by**	Hank Li
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out

	Day 1		Day 2	
	In	08:50	In	08:25
	Out	17:20	Out	12:25

← Contents

Findings →

Audit type	Full initial
Was the audit announced?	Semi announced
Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Ms. Zhang Feng Lan / Administration Supervisor
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

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

← Contents

Findings →

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.		
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	The semi-announced window of this audit is from 18 September 2025 to 16 October 2025.		
Lead auditor	Hank Li	**APSCA Number**	21704119
Additional auditor			
Date of declaration	2025-09-20		

← Contents
Findings →

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Ms. Zhang Feng Lan
Title	Administration Supervisor
Date of declaration	2025-09-20

← Contents
Findings →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601113077
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601113078
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601113079
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601113080

← Contents

Management systems →

Management systems

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

- Not addressed
- Fundamental improvements required
- Some improvements recommended
- Robust management systems

← Summary of findings

Site details →

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

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

Site details

Company and site details

Sedex company reference	ZC5000036162	
Sedex site reference	ZS1000042314	
Company name	Team Fortune Zhihui (Huizhou) Animation Co. Ltd.	
Business ownership type	GOODS	
Site name	Team Fortune Zhihui (Huizhou) Animation Co Ltd	
Site name in local language	惠州市同富智汇动漫有限公司	
GPS location	**GPS address**	Floors 1-4 Huangzhuchang Section (Factory Building E of Hongfa Industrial Development Co Ltd.) , Xinlian Village, Xinxu Town, Huiyang District
	Coordinates	N: 22°51'7", E: 114°21'8"
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Ms. Zhang Feng Lan
	Job title	Administration Supervisor
	Phone number	13878071659
	Email	qhs13878071659@126.com

← Management systems

Worker analysis →

Company and site details

Applicable business and other legally required business license numbers and documents	1. Business License No: 91441381MADKWKXB8L, Valid from 23 April 2024 to long term. 2. Fire certificate (Production buildings): 2008-0077, valid from 30 January 2008 to long-term. 3. The Fixed pollution source discharge registration receipt No.: 91441381MADKWKXB8L001Y, valid from 12 May 2025 to 11 May 2030.

Site activities

Site function	Factory Processing/Manufacturer	
Site activities	**Primary**	Manufacture of games and toys
	Secondary	
	Other	
Product type	Plastic toys	
Process overview	The main products manufactured in the factory were plastic toys. The main production processes were listed as below: Mixing materials-Injecting-Molding-Colouring-Tempo printing-Paints spraying-Assembling-Inspecting-Packing. There were 2 mixing machines, 15 injecting machines, 5 molding machines, 40 tempo printing machines, 30 paints spraying machines, 8 assembling lines and etc.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	Yes
What is the area of audited site to its boundary?	2000m²

← Site details

Worker analysis →

Site scope

Building 1	**Last construction works on site**	2008
	If building is shared, provide details	N/A
	Number of floors	4
	Description of floor activities	1/F: Raw materials warehouse, finished goods warehouse, mixing materials, injecting, moulds warehouse 2/F: Office, assembling, inspecting, packing 3/F: Colouring, assembling, inspecting, packing 4/F: Tempo printing, paints spraying, molding

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

Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No
Does the site organise worker transport to the worksite?	Not provided There is no legal requirement that the site must provide transport for workers.

← Site details

Worker analysis →

Work patterns

Approximate workers on site per month (% of peak)	**January**	95-100%	**February**	95-100%
	March	95-100%	**April**	95-100%
	May	95-100%	**June**	95-100%
	July	95-100%	**August**	95-100%
	September	95-100%	**October**	95-100%
	November	95-100%	**December**	95-100%
Is there any night shift work at the site?	No			

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	No
Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	Yes The factory had conducted the assessment 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?	Yes The factory had conducted the Human Rights Impact Assessment (HRIA).

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men		Women		Other		Total	
Number of workers	46	*(51.7%)*	43	*(48.3%)*	-	-	89	*(100%)*

Workers by type

	Men		Women		Other		Total	
Permanent workers (employees)	46	*(51.7%)*	43	*(48.3%)*	-	-	89	*(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	42 *(51.2%)*	40 *(48.8%)*	- -	82 *(92.1%)*
International migrant workers	0 -	0 -	- -	0 *(0%)*
Total migrant workers	42 *(51.2%)*	40 *(48.8%)*	- -	82 *(92.1%)*

* % of total workforce

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

Workers by age

	Men	Women	Other	Total
18 - 24 years old	0 -	0 -	- -	0 *(0%)*
15 - 17 years old	0 -	0 -	- -	0 *(0%)*
Under 15 years old	0 -	0 -	- -	0 *(0%)*

* % of total workforce

Is the worker analysis data relevant for peak season and current to the audit?	No
Describe how this may vary during peak periods	The factory does not have obvious peak or off peak seasons.
Please list the nationalities of all workers, with the three most common nationalities listed first	Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	52%	48%	-	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	46 *(51.7%)*	43 *(48.3%)*	- -	89 *(100%)*
Salaried workers	0 -	0 -	- -	0 *(0%)*

* % of total workforce

← Worker analysis

Worker interviews →

Workers by payment cycle

	Men		Women		Other		Total	
Paid daily	0	-	0	-	-	-	0	(0%)
Paid weekly	0	-	0	-	-	-	0	(0%)
Paid monthly	46	(51.7%)	43	(48.3%)	-	-	89	(100%)
Other	0	-	0	-	-	-	0	(0%)

* % of total workforce

If other payment cycle entered, please provide details	N/A

People in managerial, supervisorial and administrative roles

	Men		Women		Other		Total
Employees in management positions	1	(50%)	1	(50%)	-	-	2
Supervisors or team leaders	2	(50%)	2	(50%)	-	-	4
Administrative staff	1	(50%)	1	(50%)	-	-	2

← Worker analysis

Worker interviews →

Worker interview summary

Gender disaggregated data available	Men and women
Which methods of worker engagement were used?	Individual interviews Group interviews

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

Were any of the audit findings attributable to the survey?	
Was the interview sample representative of all types of nationality and employment types of workers?	Yes
Was the interview sample representative of the gender composition of the workforce?	Yes
Number and size of group interviews	1 group, 5 workers per group, total 5 workers
Did workers understand the purpose of the audit?	Yes
Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers?	Yes

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) The workers did not express negative feedback.
What did the workers like the most about working at this site?	Communication (e.g. from management) Pay Training and development
Additional comments	The workers were assured of confidentiality, and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory and that they were satisfied with the current working hours and wages. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. If workers have any opinions, they can also provide feedback to their supervisors or worker representatives.
Attitude of workers' committee/union representatives	Interviews with the worker representative was satisfied, expressed to agreed with the working conditions and confirmed participation in improvement process, also, stated that they could give suggestions on all parts of the site's practices.
Attitude of managers	The management has an open and positive attitude to shared the details of the site, the information was presented on timely manner, they were observing all the audit process and participating actively solving all the questions made by the auditor.

Workers interviewed by type

	Total

← Worker analysis
Measuring workplace impact →

Workers interviewed by type

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

Workers interviewed by group/individual

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

← Worker analysis
Measuring workplace impact →

Migrant workers interviewed

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

← Worker interviews
Measuring workplace impact →

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

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

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	0.2%	0.1%	-	0.3%
Last full calendar year (2024)	0.2%	0.2%	-	0.4%
Previous full calendar year (2023)	0.2%	0.2%	-	0.4%

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 Accident records were kept in files, and no accidents occurred in last year.

← Worker interviews

Code area 0 →

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

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

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

Lost day work cases (per 100 workers)*

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

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

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

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

← Worker interviews

Code area 0 →

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

Previous full calendar year (2023)	0.0%	0.0%	-	0.0%

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

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

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	System: 1. Written human rights policy statement was approved by senior management, communicated to all personnel, and trained to relevant personnel. 2. Site description and profile declared was provided during the audit. 3. Senior management showed positive attitude during whole audit. And provided all listed documentation, accessed to facility spaces, personnel, workers, etc.. 4. Facility did not engage in any behavior that impacted process integrity or the sharing of honest data. 5. The factory provided an accurate site description and Sedex site profile declared prior to or during the audit. Evidence: 1. Social Responsibility Policy 2. Site description and profile 3. Wages and attendance records 4. Production records 5. Site tour 6. Management interview and worker interview 7. Training records

← Measuring workplace impact

Code area 1 →

0. Enabling accurate assessment

Data points

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

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	1. The factory established prohibiting forced labor policy. And there was particularly detailed content during the document review. 2. The factory appointed the administrative manager responsible for implementing policies. The meeting minutes with employees especial the management level about the prohibiting forced labor was kept properly. The administrative manager had a good understanding of the policy content and the situation of the factory. 3. New employees were required to attend on-boarding training from the Management and the handbook was provided about prohibiting forced labour. But according to factory management and workers interview, the factory did not conduct an annual training on factory procedure documents for everyone. 4. The factory conducts regular internal audits and risk assessments, checks forced labor indicators, and conducts regular worker interviews and anonymous surveys to evaluate working conditions. The factory will regularly review and update its monitoring procedures based on the investigation results. Monitoring was conducted, but not regularly.

Summary of findings

← Code area 0

Code area 1.A →

Code area	Workplace requirement	Area of NC	Finding

No findings

Systems and evidence examined to validate this code section	System: 1. Facility did not engage in any behavior that forced labour, human trafficking, debt bondage/ bonded labour or any other form of modern slavery. 2. Facility did not engage in any behavior that control workers through threats, penalties, coercion, physical force, violence, or harsh or inhumane treatment. 3. Facility did not engage in any behavior that restrict workers' freedom of movement, workers can freely leave the workplace. 4. Facility did not engage in any behavior that controlling or intimidating workers. 5. Facility did not engage in any behavior that prevent workers from communicating with others inside or outside the workplace, deny workers social interaction or otherwise intentionally subject workers to isolation. 6. Facility did not engage in any behavior that retain workers' original passport, travel or identity documents or any other valuable item. 7. Facility did not engage in any behavior that prevent workers to resign at the end of their contract or at any time. 8. Paid workers according to a regular pay schedule, in line with applicable law and not more than on a monthly basis. 9. Facility did not engage in any behavior that intentionally place workers in debt. 10. Facility did not engage in any behavior that charge or withhold part of a worker's salary as a deposit, or require workers to post bonds or repay government levies. 11. Facility did not engage in any behavior that withhold any payments until a worker's term of work is complete (forced savings), delay payments, or implement any other financial scheme that prevents workers from leaving their employment. 12. Ensured that workers can achieve the legal minimum wage without breaching applicable laws or the terms of collective bargaining agreements on working hours, overtime and rest days. 13. Ensured that no any type of prison labour in the facility. 14. Complied with all other applicable laws. Evidence: 1. Employment Management Procedure, Prohibition Forced Labor Procedure, etc. 2. Site description and profile, etc. 3. Personnel files and labour contracts 4. Wages and attendance records 5. Production records 6. Site tour 7. Management interview and worker interview 8. Training records

← Code area 0 Code area 1.A →

1. Employment is freely chosen

Data points

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

← Code area 1

Code area 1.A →

1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The factory established a Worker Hiring Procedure. The procedures stipulated that workers present their IDs for proof of age but only copies should be kept in the personnel files and the original would be given back to the workers and worker was free to leave the workplace outside of their working hours. The procedures were compiled by the Administrative department, reviewed by the Manager, and approved by the General Manager. 2. The factory has a designated management personnel responsible for supervising recruitment and compliance with legal job benefits, and has sufficient resources for screening documents, verifying identities, and conducting random inspections. 3. New employees were required to attend on-boarding training from the administrative department which included Worker Hiring Procedure. According to factory management and workers interview, the workers were not required lodging deposits or their identity papers to the factory at the beginning of employment, and factory also held an annual training on factory procedure documents for everyone, including Worker Hiring Procedure. 4. The factory conducts regular audits and compliance checks on direct and intermediary employees, and reviews and updates its recruitment practices based on worker interviews and document reviews. And there is clear action plan to correct any identified issues.

← Code area 1 Code area 2 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	System: 1. All workers are recruited, selected, and hired directly by our company Established a system to validate that all workers have the legal right to work. 2. Retained records necessary to demonstrate that all workers have the legal right to work. 3. Ensured that the nature of work, working conditions, living conditions, employment terms, living costs, wages and benefits accurately reflect those communicated to workers during recruitment. 4. Ensured that appropriate requirements and protections for children and young workers. 5. Established a system to verify that all workers are recruited legally and fairly. 6. No use any workers from employment agencies and other recruitment partners. 7. No any recruitment fees and related costs of recruitment which workers have paid (legal or otherwise, as defined by the ILO and including travel and visa costs). 8. Ensured no recruitment fees or related costs are incurred or charged to workers and specifies the responsible party for reimbursing workers accordingly if they incur fees or costs. 9. Complied with all other applicable laws. Evidence: 1. Employment Management Procedure, Anti-discrimination Procedure, Supplier Management Procedure, etc. 2. Site description and profile 3. Personnel files and labour contracts 4. Wages and attendance records 5. Production records 6. Site tour 7. Management interview and worker interview 8. Training records

← Code area 1 Code area 2 →

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

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

Migrant workers

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

← Code area 1.A

Code area 2 →

Percentage of workers that are migrant	93%
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	Sichuan, Chongqing, Hunan, Guangxi, Henan, Jiangxi

Recruitment fees

Were you able to detect recruitment fees and costs paid by workers during the recruitment and employment process?	Not Applicable
Were recruitment fees or costs identified during worker interviews?	No Workers do not pay any fee during the recruitment process.

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

Management systems

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

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	1. The facility's freedom of association and collective bargaining policy and Procedure outlining the systems in place to manage this issue at the site. Further details could be found in the Employment Management Procedure, Employee Representative Election Procedure, Employees' Freedom of Association Procedure, etc., these including relevant requirements of the code area. Although the facility has declared that they will respect employees' right to collective bargaining. However, these documents does not fully reflect the needs from employees of different positions, ages and backgrounds. 2. The documents clearly assigned responsibilities, outlined processes, and addressed all code areas. It also provided a letter of appointment for Manager to be in charge of the human rights content of the facility. The manager was responsible for implementation and was aware of his responsibilities, and had been working in the facility for many years and has a good understanding of the policy content and the situation of the facility. 3. All management and supervisors received relevant social responsibility training, including collective bargaining and freedom of association. The manager used this knowledge to develop effective procedural documents, and also held an annual training on facility procedure documents for everyone. However, after the training, the facility did not conduct an assessment of the training's effectiveness and regularly conduct training needs analysis to develop future training plans to adapt to changes in operating conditions. 4. Adherence to the processes was monitored through departmental reporting to Manager , and there was a mechanism to monitor whether the procedures were implemented by employees. Additionally, workers were free to elect worker representatives, who could hold meetings and communicate with workers as necessary. According to the worker suggestion or grievance records provided by the facility, workers were less willing to provide suggestion or grievance. The supervisor did not proactively conduct the survey and investigation for workers to provide more effective methods to encourage more workers to actively share their ideas.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 1.A

Code area 3 →

No findings

Systems and evidence examined to validate this code section	System: 1. Ensured that all workers understand their legal rights in relation to trade unions, collective bargaining agreements and worker committees. 2. Not prohibited, discouraged or interfered with workers' rights to join a trade union of their own choosing or other form of worker representation, including worker committees or similar arrangements where the right to freedom of association is restricted under law. This including the fair and free selection and election of representatives, and their rights to engage in collective bargaining. 3. Regularly communication with worker representatives. 4. Gave appropriate time and space for worker representatives to operate. Ensured all workers are aware of who their representative is, their activities and how they can engage with them. 5. Complied with all other applicable laws. Evidence: 1. Employment Management Procedure, Employee Representative Election Procedure, Employees' Freedom of Association Procedure, etc. 2. Site description and profile 3. Worker suggestion or grievance records 4. Worker representative selection program 5. Site tour 6. Management interview and worker interview 7. Training records

← Code area 1.A

Code area 3 →

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

Data points

Are trade unions allowed by law in the national context?	Yes
Are there any registered trade unions in the workplace?	No
Are they active?	
Does the employer recognise the trade union?	Not Applicable
Are 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
Has there been any industrial action (e.g. strikes, unrest, or cases raised to formal tribunals or labour courts) in the past two years?	No

← Code area 2 Code area 3 →

3. Working conditions are safe and hygienic

Management systems

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

← Code area 2

Code area 4 →

Management systems

Explanation for management systems grades	1. The facility's health and safety policy outlining the systems in place to manage this issue at the site. Further details could be found in the EHS Management Procedure, Emergency Preparedness and Response Management Procedure, Risk Identification and Assessment Procedure, Chemical safety Management Procedure and etc., these including relevant requirements of the code area. Although the facility has declared to ensure that employees have a safe working environment. However, the facility did not regularly evaluate the procedures and policies in use so there was a risk that the procedures and policies were not in compliance with the latest regulations. 2. The documents clearly assigned responsibilities, outlined processes, and addressed all code areas. It also provided a letter of appointment for Manager to be in charge of the safety and healthy content of the facility. He had been trained and with sufficient seniority. He was responsible for implementation and was aware of his responsibilities. 3. All management and supervisors received relevant training, such as hazard identification and risk assessment, environmental health and safety management, chemical management, injury and accident investigation and management, etc.. The management used this knowledge to develop effective procedural documents, and also held an annual training on facility procedure documents for everyone. However, after the training, the facility did not conduct an assessment of the training's effectiveness and regularly conduct training needs analysis to develop future training plans to adapt to changes in operating conditions. 4. Adherence to the processes was monitored through departmental reporting to Manager , and there was a mechanism to monitor whether the procedures were implemented by employees. However, no safety labels and no wearing earplugs are overlooked that there was potential for major NCs to arise. In this case there was no sufficient mechanism for monitoring this processed.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 2

Code area 4 →

3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC	ZAF601113077
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC	ZAF601113078

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section

System:
1. Ensured a safe working environment.
2. Conducted risk assessments regarding the potential hazards arising from work. The risk assessment shall be reviewed whenever processes change and at least annually considering any incidents and findings.
3. Appointed a suitably qualified manager responsible for health and safety with the appropriate knowledge and authority to effectively implement health and safety systems and processes.
4. Formed a health and safety committee (or include H&S in worker committees) which includes workers, and/or their representatives.
5. Provided and recorded health and safety training to all new workers, prior to exposure to risks.
6. Provided continued training to existing workers, as appropriate for the hazards and levels of risk identified.
7. Ensured training content is understood/implemented by workers.
8. Provided sufficient first-aid supplies onsite, and ensure that adequately trained personnel are available during all shifts.
9. Provided (without charge to workers) and ensure the use of appropriate personal protective equipment (PPE).
10. Recorded all accidents and near misses and ensure these are investigated. Ensured accident/incident log is routinely reviewed by appropriate personnel and appropriate corrective and preventative actions are taken.
11. Permitted workers to stop working, seek safety or leave the premises, without the threat or fear of retaliation, when they believe hazards in the workplace have placed them in imminent danger.
12. Ensured that all premises are safe and have valid safety certifications for their current layout and use.
13. Established effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.
14. Ensured all machinery is installed, maintained, and used in a safe manner.
15. Maintained a log of all hazardous substances (e.g. chemicals and pesticides) on site.
16. Ensured that electrical hazards are reduced and controlled by appropriately qualified personnel.
17. Developed emergency preparedness and response plans for risks identified (including natural disasters and other potential emergencies). Where worker evacuation is required, drills should be conducted at least annually (or more frequently if required by law).
18. Ensured workers are safe from risks associated with extreme weather conditions, including heat stress.
19. Provided clean and secure toilets, wash areas, and worker changing facilities, with

adequate hygiene supplies separated by gender or with effective privacy.
20. Ensured potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.
21. Ensured any additional relevant legal requirements concerning health & safety are met.

Evidence:
1. EHS Management Procedure, Emergency Preparedness and Response Management Procedure, Risk Identification and Assessment Procedure, etc.
2. Site description and profile
3. Local and national laws
4. Health and safety committee minutes
5. Government licenses
6. Building structure safety certificate
7. Fire equipment maintenance records
8. Fire drill and evacuation records
9. First aid certificates, content list of first aid kit
10. Accident report
11. Electrician certificate
12. Potable water testing report
13. Occupational health examination report
14. Site tour
15. Management interview

Findings: non-compliances

ZAF601113077

Non-compliance

Due 2025-10-25

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

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

Description

The worker did not properly wear PPE (Personal Protective Equipment).
During factory tour, the auditor found that 2 out of 5 sampled injecting workers working in the injecting workshop at 1/F of one 4-storey production building (Building E) was not wearing earplugs, which were provided by factory.
现场走访过程中，审核员发现一栋4层生产楼（E栋)1楼注塑车间5名抽样注塑工人中2名工人没有佩戴耳塞，但工厂有提供。

Corrective and preventative actions

It is recommended that factory should provide suitable personal protective equipment to employees, train and supervise the employees to wear the personal protective equipment properly during working.
建议企业应提供适当的个人防护用品给员工，并监督、教育员工正确使用劳保用品。

Local law reference

In accordance with PRC Work Safety Law (2002), Amendment (2021), Article 45, Production and business units shall provide their employees with work protection gears that are up to national standards or industrial specifications, and they shall give instruction to their employees and see to it that they wear or use these gears.

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

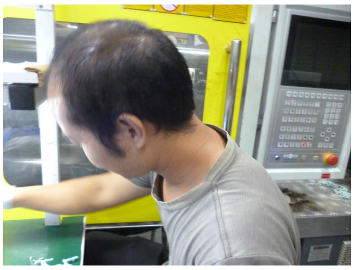
Area of non-compliance/non-conformance

Local law

Base code

← Code area 3

Code area 4 →



The worker did not properly wear earplugs.JPG

* PDF generated at 20:50 (UTC) on 25 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF601113078

Non-compliance

Due 2025-10-25

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

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

Description

No safety label for hazardous chemical.
During factory tour, auditor found that there was no safety label for 2 sampled bottles of chemical (such as glues) using in assembling workshop located at 3/F of one 4-storey production building (Building E).
现场走访过程中，审核员发现一栋4层生产楼(E栋)3楼装配车间2瓶抽样的化学品（如胶水）没有安全标识。

Corrective and preventative actions

It is recommended that factory should post safety label on all chemical’s containers.
建议企业应对所有使用的化学品进行标识。

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

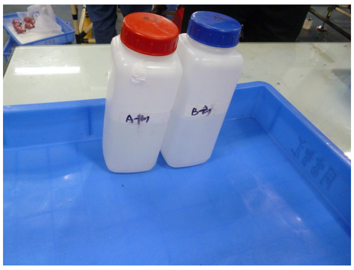
← Code area 3

Code area 4 →

Local law reference

In accordance with the Regulation For Chemical Usage Safety in Work Place (1997), Article 14, (1) In case of transferring or loading the chemicals purchased into a new container, it is required to mark clearly the descriptions of these chemicals on the newly adopted container. As to those hazardous chemicals that have been transferred or loaded into a new container, it is necessary to stick a safety precautions mark on the new container. (2) The original safety precautions mark upon those containers that contain hazardous chemicals shall not be replaced before these containers have been cleansed.

Evidence



No safety label for hazardous chemical.JPG

* PDF generated at 20:50 (UTC) on 25 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

← Code area 3 Code area 4 →

3. Working conditions are safe and hygienic

Data points

Is someone within the company responsible for health and safety?	Yes, senior manager or business owner Yes, qualified safety officer
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	No
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	Yes Factory workers come into contact with chemical substances (such as paints, cleaning agents) during their work. The factory provided them with training on chemicals and personal protective equipment, and also provided free personal protective equipment for workers.
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Workers organise their own transport
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Not Applicable No added floor was found to have been added.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No

← Code area 3

Code area 4 →

Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No
Does the site have a structural engineer evaluation?	Yes

← Code area 3

Code area 4 →

4. Child labour shall not be used

Management systems

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

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades	1. The facility's prohibiting child labor policy outlining the systems in place to manage this issue at the site. Further details could be found in the Employment Management Procedure, Prohibition of Child Labor Policy, Risk Assessment Procedure for Young Workers, Young Worker Control Procedure, etc., these including relevant requirements of the code area. Although the facility has declared that facilities prohibit the use of child labor. However, the facility did not regularly evaluate the procedures and policies in use so there was a risk that the procedures and policies were not in compliance with the latest regulations. 2. The documents clearly assigned responsibilities, outlined processes, and addressed all code areas. It also provided a letter of appointment for Manager to be in charge of the human rights content of the facility. The manager was responsible for implementation and was aware of his responsibilities, and had been working in the facility for many years and has a good understanding of the policy content and the situation of the facility. 3. New employees were required to attend on-boarding training from the management which included prohibiting child labor and age of applicants verification. All management and supervisors received relevant social responsibility training, including prohibiting child labor and age of applicants verification, special protection given to underage workers. The manager used this knowledge to develop effective procedural documents, and also held an annual training on facility procedure documents for everyone. However, after the training, the facility did not conduct an assessment of the training's effectiveness and regularly conduct training needs analysis to develop future training plans to adapt to changes in operating conditions. 4. Adherence to the processes was monitored through departmental reporting to Manager , and there was a mechanism to monitor whether the procedures were implemented by employees. The manager followed and monitored the execution of the procedure to ensure that child labor was not recruited by facility. In addition to verifying the identity of each new employee, the facility monitors compliance annually through worker representative meetings, worker interviews and other method.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

← Code area 3

Code area 5 →

No findings

Systems and evidence examined to validate this code section	System: 1. Ensured that no worker is under the age of 16 years' old. 2. Reviewed original photographic identification to validate that all workers are at least 16 years old at the time of employment. 3. Ensured that workers under 18 (but above legal minimum age) only carry out age appropriate, non-hazardous work that is properly supervised. Ensure these workers do not work night shifts, and comply with other relevant laws on young workers' employment (e.g. obtaining permits or permission from parents, ensuring young worker are properly registered and protected). 4. Ensured no worker under 18 is employed on a full-time basis if still of compulsory school age. 5. Maintained a written policy and process outlining how child labour would be remediated. In case of child labor employed mistakenly, the facility would stop their work immediately and arrange for them to undergo health checks in hospital. Meanwhile, the facility would communicate with their parents and arrange to send them back to their hometown/ their parents with accompanied by a designated staff, etc.. 6. Complied with all other applicable laws. Evidence: 1. Employee Recruitment Control Procedure, Prohibition of Forced Labor Management Control Procedure, Child Labor and Young Worker Protection Procedure, Young Worker Risk Assessment Control Procedure, etc.. 2. Site description and profile 3. Local and national laws 4. Recruitment procedure 5. Child labour remediation procedure 6. Employee roster 7. Personnel files and labour contracts 8. Wages and attendance records 9. Resignation records 10. Social security insurance payment receipts 11. Production records 12. Site tour 13. Management interview and worker interview 14. Training records

← Code area 3

Code area 5 →

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	0%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	25
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

← Code area 4

Code area 5 →

5. Legal wages are paid

Management systems

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

← Code area 4

Code area 5.A →

Management systems

Explanation for management systems grades	1. The factory has formal wage policies in place to ensure all workers are paid at least the legal minimum wage or the wage set by a legally binding Collective Bargaining Agreement (CBA), whichever is higher. The policies cover all aspects, including overtime, bonuses, wage deductions, and benefits. There are clear procedures to ensure compliance with legal wage requirements, and the policies explicitly prohibit illegal wage deductions, delayed payments, or unpaid work. 2. A manager oversees wage compliance. The company maintains detailed payroll records, including wage payments, deductions, overtime, and bonuses. Sufficient resources are allocated to ensure compliance with social insurance payments and worker benefits. If third-party labour providers were used, there are procedures for regular due diligence to verify proper payments. 3. Employees are informed about their wage structure during on-boarding. However, the training on wage-related laws and regulations is not in-depth. Some employees may not fully understand how their bonuses or incentives are calculated. Also, there is no regular communication about any changes in wage policies. 4. According to factory management interview, the factory management was actively communicating with workers about the benefits of participating in social insurance and the requirements of the local government that workers must participate in social insurance. But there were still some workers who were unwilling to participate in social insurance. If social security fees were forcibly deducted, workers might leave the factory directly. And the factory could not bear the cost of fully covering the social security expenses for workers. However, it's recommended that the factory included workers' interview in the monitoring process.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601113079

← Code area 4

Code area 5.A →

Systems and evidence examined to validate this code section	System: 1. Ensured that all workers are paid at least the legal minimum wage. 2. Insufficient social insurance participated but the factory had bought the Employer liability insurances for all employees within valid period. 3. Ensured that any partial payments not exceed the national legal limit. 4. Ensured no deduction from workers pay is for disciplinary sanctions. Ensure deductions not provided for by national laws are legal, and do not take workers below the legal minimum wage. 5. Ensured workers are renumerated for all time worked, including meetings and essential training. 6. Provided all workers with clearly written contract/agreement, in a language workers understand, outlining wage information (rates of and total pay, overtime, payment frequency, deductions, benefits and insurances, and paid leave) before employment begins, and with clearly written information relating to any changes of the same during the course of employment. 7. Maintained records to demonstrate that workers receive a wage statement, or payslip each pay period with a clear and understandable breakdown of their wages, benefits and any deductions. 8. Complied with all other applicable laws. Evidence: 1. Employee Handbook, Salary and Welfare Scheme, etc. 2. Site description and profile 3. Local and national laws 4. Local legal minimum wage documents 5. Personnel files and labour contracts 6. Wages and attendance records 7. Resignation records 8. Social security insurance payment receipts 9. Production records 10. Site tour 11. Management interview and worker interview 12. Training records

← Code area 4

Code area 5.A →

Findings: non-compliances

ZAF601113079

Non-compliance

Due 2025-11-24

Code area

5 Legal wages are paid

Workplace requirement

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

Issue title

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

Description

Insufficient social insurance participated. According to social insurance receipt of August 2025, there were 98 employees in the factory, excluding 10 retired employees, auditor found that there were 12 out of 88 employees had participated in basic endowment insurance; 12 out of 88 employees had participated in employment injury insurance; 12 out of 88 employees had participated in basic medical insurance; 12 out of 88 employees had participated in unemployment insurance; 12 out of 88 employees had participated in maternity insurance.
Remark: Based on the management interview and additional records review, there were 98 employees had participated in commercial incident insurance, the valid period is from 4 July 2025 to 3 July 2026. These insurances are not mandated by PRC Social Insurance Law.
依据2025年8月社保收据，全厂98名员工中，除去10名退休返聘人员，12人参加了养老保险，12人参加了工伤保险，12人参加了医疗保险，12人参加了失业保险和12人参加了生育保险。
备注：工厂为98名员工购买了商业意外保险，有效期是2025年7月4日至2026年7月3日。

Corrective and preventative actions

It is recommended that the factory should ensure all employees participate in social insurance according to the Law.
建议企业应按法规要求为员工参加社会保险。

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

← Code area 5

Code area 5.A →

Local law reference

In accordance with Social Insurance Law of the People's Republic of China (2011), Amendment (2018), Article 10 Employees shall participate in the basic endowment insurance, and the basic endowment insurance premiums shall be jointly paid by employers and employees. Article 23 Employees shall participate in the basic medical insurance for employees, and the basic medical insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33 Employees shall participate in the employment injury insurance, and the employment injury insurance premiums shall be paid by their employers rather than the employees. Article 44 Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53 Employees shall participate in maternity insurance, and the maternity insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state.

Evidence


社会保险费申报汇总表

统一社会信用代码(纳税人识别号):	[illegible]	缴费人名称:	[illegible]
社保管理机构:	惠州市惠阳区社保局	税务管理机关:	[illegible]
单位社保号:	[illegible]	费款所属期:	[illegible]

单位：元，人

序号	费款所属期起	费款所属期止	征收项目	征收品目	缴费人数	缴费基数总额	费率	应缴金额
1	2025-08	2025-08	企业职工基本养老保险费	企业养老保险(单位缴纳)	12	53904.00	0.160000	8624.64
2	2025-08	2025-08	企业职工基本养老保险费	企业养老保险(个人缴纳)	12	53904.00	0.080000	4312.32
3	2025-08	2025-08	失业保险费	失业保险(单位缴纳)	12	22200.00	0.008000	177.60
4	2025-08	2025-08	失业保险费	失业保险(个人缴纳)	12	22200.00	0.002000	44.40
5	2025-08	2025-08	基本医疗保险费	住院基本医疗保险(单位缴纳)	9	40644.00	0.035000	1422.54
6	2025-08	2025-08	基本医疗保险费	综合基本医疗保险(单位缴纳)	3	13548.00	0.046000	623.22
7	2025-08	2025-08	基本医疗保险费	综合基本医疗保险(个人缴纳)	3	13548.00	0.020000	270.96
8	2025-08	2025-08	基本医疗保险费	补充基本医疗保险(单位缴纳)	12	90336.00	0.001000	90.36
9	2025-08	2025-08	工伤保险费	工伤保险	12	22200.00	0.004000	88.80
单位合计						242832.00		11027.16
个人合计						89632.00		4627.68
合计						332464.00		15654.84

[Insufficient social insurance participated.png]

* PDF generated at 20:50 (UTC) on 25 Sept 2025. [View this finding on the Sedex platform] for live updates and closure details.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	The legal minimum wage Wages are based on job skills and experience Wages meet a living wage
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Does not use digital payments (give details) By cash for payment
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None

Worker renumeration

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

Summary information

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

← Code area 5
Code area 5.A →

Maximum legal working hours	**Max hours per day**	8.0
	Max hours per week	40.0
	Max hours per month	Non applicable
Actual required working hours	**Required hours per day**	8.0
	Required hours per week	40.0
	Required hours per month	184.0
Maximum legal overtime hours	**Max hours per day**	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0
Actual overtime hours	**Max hours per day**	2.0
	Max hours per week	18.0
	Max hours per month	62.0
Minimum legal wage	**Min per hour**	10.63
	Min per day	85.06
	Min per week	425.29
	Min per month	1850.0
Actual minimum wage	**Actual per hour**	10.63
	Actual per day	85.06
	Actual per week	425.29
	Actual per month	1850.0

← Code area 5

Code area 5.A →

Minimum legal overtime wage	**Min per hour**	15.95
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	15.95
	Actual per day	31.9
	Actual per week	329.58
	Actual per month	1074.64

Wage analysis

Number of workers' records checked	30
Provide the date and details of the records	The factory provided payroll records from August 2024 to July 2025 and time records from August 2024 to 20 September 2025 (audit day) for review and 10 sampled employees were checked. 10 samples from December 2024 (randomly sampled month 10 samples from May 2025 (randomly sampled month 10 samples from July 2025 (current month)
Are there different legal minimum/ legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Meets legal minimum
Indicate the breakdown of workforce per earnings	100% of workforce earning met minimum wage.

← Code area 5

Code area 5.A →

Are there any bonus schemes used?	Yes Post allowance: RMB 1200-5000 / month Full attendance allowance: RMB 100 / month
Were accurate records shown at the first request?	Yes
Were any inconsistencies found?	No

← Code area 5

Code area 5.A →

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	System: 1. Reviewed workers' total pay including benefits and compared it with a credible 'living wage' to calculate a 'living wage gap', and understand what proportion of the workforce has a gap (e.g. collects information on employees' expenditures in various aspects, including food, housing, utility bills, healthcare, children's education, transportation, emergency reserves, and commercial insurance, etc.). 2. Established a wage improvement plan that aims to pay workers a living wage within a stated timeframe (e.g. regional data, inflation, industry standards into comprehensive consideration). 3.The facility adopted the Anker living wage calculation method to determine the minimum living wage for workers, the minimum basic wages RMB1850 plus allowance RMB1300 was higher than the living wage: RMB 2015. Evidence: 1. Employee Handbook, Living Wage and Wage Improvement Plan, etc. 2. Management interview and worker interview 3. Wages and attendance records 4. Questionnaires 5. Calculation record of living wage 6. Wage improvement plan

← Code area 5

Code area 6 →

6. Working hours are not excessive

Management systems

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

← Code area 5.A

Code area 7 →

Management systems

Explanation for management systems grades	1. The factory established a policy about the working time for each worker. The factory's employee handbook clearly records employees' working time requirements, including regular work hours and overtime hours. The manual specifically emphasizes that overtime should be voluntary. The procedures were compiled by the Management, and approved by the General Manager. And there was particularly detailed content during the document review. 2. The factory appointed the administrative manager as the main person in charge of matters of working time for each worker to regularly communicate with worker representatives, follow up on worker representative meetings, and report to the factory management. The administrative manager had a good understanding of the policy content and the situation of the factory. 3. New employees were required to attend on-boarding training from the management and the handbook was provided which include the regular working time / overtime. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone if some clauses was updated. Some employees had informed that the number of training sessions at the factory is limited, and sometimes if they happened to take leave and were not at the factory, they would miss relevant training. Moreover, the factory would not arrange separate training for a small number of people. 4. Adherence to the processes was monitored through departmental reporting to Manager , and there was a mechanism to monitor whether the procedures were implemented by employees, ensure compliance with working hours requirements. However, the supervisor did not proactively conduct the survey and investigation to understand workers' expectations for overtime hours/rest time. The facility had set up target and goals for each workplace requirement and conducted internal audit regularly. But there was still scope for enhancing the monitoring of overtime hours. Due to insufficient monitor, monthly overtime exceeded legal requirement have been emerged.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law Base code	NC ZAF601113080

← Code area 5.A
Code area 7 →

Systems and evidence examined to validate this code section	System: 1. Ensured that working hours not exceed legal limits. 2. Ensured that workers receive all legally required rest and meal breaks. 3. Provided workers with at least 24 hours of consecutive rest in every 7-day period. 4. Ensured that working hours not exceed 60 hours in a standard working week. 5. Ensured the standard working week excluding overtime not more than 40 hours per week and is included in workers' contracts. 6. Ensured 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. 7. Ensured that overtime is voluntary and can be refused without penalty. 8. Ensured that overtime is always compensated at a premium rate. 9. Adopted a review of appropriate frequency of the working hours of individual workers and the workforce as a whole and use this review to responsibly manage overtime. 10. Complied with all other applicable laws. Evidence: 1. Employee Handbook, Working Hours Control Management Procedure, etc. 2. Site description and profile 3. Local and national laws 4. Personnel files and labour contracts 5. Wages and attendance records 6. Production records 7. Site tour 8. Management interview and worker interview 9. Training records

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601113080

Non-compliance

Due 2025-11-24

Code area

6 Working hours are not excessive

Workplace requirement

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

Issue title

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

Description

The employees' monthly overtime in the factory exceeded legal requirement.
The factory provided attendance records from August 2024 to July 2025, through factory tour, document review, management & employees' interview, the monthly overtime working hours of workers exceeded 36 hours.
The monthly overtime hours of 10 out of 10 randomly selected employees reached 60 hours in December 2024 (randomly selected month);
The monthly overtime hours of 10 out of 10 randomly selected employees reached 56 hours in May 2025 (randomly selected month);
The monthly overtime hours of 10 out of 10 randomly selected employees ranged from 60-62 hours in July 2025 (current month).
Remark: All selected employees daily overtime hours ranged from 0 to 2 hours.

工厂提供的2024年8月至2025年7月的考勤记录发现： 2024年12月份（随机月份）10名随机抽取的员工中，10名员工的月加班达到60小时； 2025年5月份（随机月份）10名随机抽取的员工中，10名员工的月加班达到56小时；2025年7月份（当前月份）10名随机抽取的员工中，10名员工的月加班达到60-62小时。
备注：所有抽样员工的每天加班达到0-2小时。

Corrective and preventative actions

It's recommended that factory should adopt practice to ensure overtime hour would not exceed legal requirement.
建议工厂应采取措施确保每月的加班时间不超过法规要求。

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

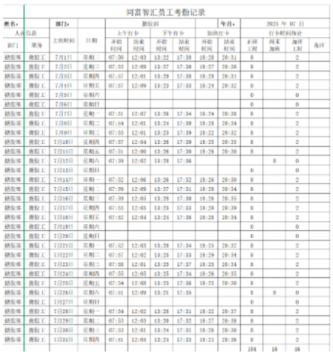
← Code area 6

Code area 7 →

Local law reference

In accordance with PRC Labor Act (1995) Amendment (2018), Article 41The 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 month shall not exceed thirty-six hours.

Evidence


同富智汇员工考勤记录

姓名:		部门:	挤胶部	年月:	2025 年 07 月								
人员信息				上午打卡		下午打卡		加班打卡		打卡时间统计			
部门	职务	上班时间	日期	开始时间	结束时间	开始时间	结束时间	开始时间	结束时间	正班工时	周末加班	加班工时	备注
挤胶部	挤胶工	7月1日	星期二	07:50	12:03	13:22	17:38	18:28	20:31	8		2	
挤胶部	挤胶工	7月2日	星期三	07:55	12:09	13:27	17:30	18:27	20:30	8		2	
挤胶部	挤胶工	7月3日	星期四	07:57	12:01	13:29	17:38	18:29	20:31	8		2	
挤胶部	挤胶工	7月4日	星期五	07:57	12:09	13:23	17:33	18:24	20:32	8		2	
挤胶部	挤胶工	7月5日	星期六							0		0	
挤胶部	挤胶工	7月6日	星期日							0		0	
挤胶部	挤胶工	7月7日	星期一	07:51	12:07	13:26	17:34	18:24	20:38	8		2	
挤胶部	挤胶工	7月8日	星期二	07:54	12:01	13:24	17:30	18:28	20:34	8		2	
挤胶部	挤胶工	7月9日	星期三	07:55	12:01	13:23	17:39	18:22	20:32	8		2	
挤胶部	挤胶工	7月10日	星期四	07:57	12:04	13:26	17:39	18:23	20:33	8		2	
挤胶部	挤胶工	7月11日	星期五	07:51	12:00	13:26	17:30	18:26	20:30	8		2	
挤胶部	挤胶工	7月12日	星期六	07:59	12:02	13:28	17:36				8	0	
挤胶部	挤胶工	7月13日	星期日							0		0	
挤胶部	挤胶工	7月14日	星期一	07:52	12:06	13:26	17:32	18:26	20:30	8		2	
挤胶部	挤胶工	7月15日	星期二	07:59	12:09	13:27	17:31	18:28	20:34	8		2	
挤胶部	挤胶工	7月16日	星期三	07:59	12:05	13:28	17:30	18:26	20:35	8		2	
挤胶部	挤胶工	7月17日	星期四	07:55	12:05	13:25	17:33	18:20	20:39	8		2	
挤胶部	挤胶工	7月18日	星期五	07:52	12:04	13:24	17:36	18:28	20:34	8		2	
挤胶部	挤胶工	7月19日	星期六							0		0	
挤胶部	挤胶工	7月20日	星期日							0		0	
挤胶部	挤胶工	7月21日	星期一	07:52	12:03	13:28	17:34	18:25	20:32	8		2	
挤胶部	挤胶工	7月22日	星期二	07:57	12:02	13:25	17:33	18:29	20:34	8		2	
挤胶部	挤胶工	7月23日	星期三	07:58	12:01	13:25	17:37	18:23	20:34	8		2	
挤胶部	挤胶工	7月24日	星期四	07:55	12:05	13:25	17:34	18:26	20:35	8		2	
挤胶部	挤胶工	7月25日	星期五	07:54	12:08	13:25	17:36	18:23	20:30	8		2	
挤胶部	挤胶工	7月26日	星期六	07:51	12:09	13:21	17:35			8	8	0	
挤胶部	挤胶工	7月27日	星期日							0		0	
挤胶部	挤胶工	7月28日	星期一	07:54	12:02	13:28	17:31	18:22	20:27	8		2	
挤胶部	挤胶工	7月29日	星期二	07:53	12:03	13:20	17:32	18:27	20:38	8		2	
挤胶部	挤胶工	7月30日	星期三	07:53	12:01	13:24	17:31	18:26	20:30	8		2	
挤胶部	挤胶工	7月31日	星期四	07:51	12:05	13:24	17:33	18:21	20:26	8		2	
										184	16	46	

Monthly overtime exceeded legal requirement.png

* PDF generated at 20:50 (UTC) on 25 Sept 2025. View this finding on the Sedex platform for live updates and closure details.

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	Not applicable. All employees were paid at least 150% OT premium.
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	55.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	58.0
Maximum number of days worked without a day off in sample	6

← Code area 6

Code area 7 →

7. No discrimination is practiced

Management systems

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

← Code area 6

Code area 8 →

Management systems

Explanation for management systems grades	1. The facility's anti-discrimination policy and procedure outlining the systems in place to manage this issue at the site. Further details could be found in the Employee Handbook, Employment Management Procedure, Anti-discrimination Procedure, Prohibition Physical Punishment and Abuse Control Procedure, etc., these including relevant requirements of the code area. The facility promised to equity approach in recruitment, training, development and promotion processes. The facility has a gender equity policy, and it has developed relevant procedures and action plans to effectively implement the policy. 2. The factory appointed the administrative manager responsible for implementing policies to regularly communicate with worker representatives, follow up on worker representative meetings, and report to the factory management. The Administrative Supervisor had a good understanding of the policy content and the situation of the factory. 3. New employees were required to attend on-boarding training from the management and the handbook was provided about the discrimination policy and no worker was required to do the examination of the Hepatitis B and HIV. However, a few employees were not particularly clear about specific requirements during the worker interview. 4. According to factory management interview, worker representative meetings were held quarterly. The system established an effective communication channel between factory management and workers. There was the mechanism for monitoring whether procedures have been implemented by operational personnel.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

← Code area 6

Code area 8 →

Systems and evidence examined to validate this code section	System: 1. Ensured no discrimination is practiced, taking particular consideration of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. 2. Ensured that employment policies and processes are sufficient to prevent discrimination at all stages of employment. 3. Not required or allowed health checks for workers to take place during the recruitment process or during employment where the results are used to unfairly avoid hiring or retaining workers with certain health issues or medical conditions. 4. Ensured that grievance mechanisms are accessible to all workers, regardless of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership and political affiliation. 5. Established a dedicated equity approach in recruitment, training, development and promotion processes (For example, recruitment information applied to all job applicants, discriminatory words are avoided, the same interview processes are provided, training accessible to all, unified training standards, internal recruitment and resource sharing, and so on.). 6. Complied with all other applicable laws. 7. The factory had a comprehensive equity approach, including: a. Policies and procedures on gender equity and other non-discrimination aspects (e.g., race, caste, national origin, religion, age, disability, marital status, sexual orientation, union membership, political affiliation). b. A standalone equity and inclusion action plan, not limited to gender. c. Policies or activities addressing barriers related to gender and other protected characteristics. d. On-site initiatives promoting gender and diversity equity. e. Partnerships with independent third parties (e.g., NGOs) focusing on equity, diversity and inclusion. f. The equity approach was covered in recruitment, training, development and promotion processes, ensuring fair opportunities for all workers regardless of gender, race, religion, age, disability, marital status, sexual orientation, union membership or political affiliation. Evidence: 1. Employee Handbook, Employment Management Procedure, Anti-discrimination Procedure, Prohibition Physical Punishment and Abuse Control Procedure, etc. 2. Site description and profile 3. Grievance mechanism 4. The hiring and termination practices 5. Personnel files and labour contracts 6. Wages and attendance records 7. Production records

← Code area 6

Code area 8 →

8. Site tour
9. Management interview and worker interview
10. Training records
11. Gender equity policy

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)?	50%
Representation of women in managerial roles (ratio of women workers to women managers)	2%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	4%
Three most common nationalities in managerial and supervisory roles	Chinese

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The factory established employment policy. The procedures stipulated that all employees should be recruited by the factory directly and receive training about employment policy when employed. No labor agency was used to hire worker. No apprenticeship schemes or home worker according to the policy. The procedures were compiled by the management, and approved by the General Manager. And the employment policies formulated by the factory were very specific and detailed. 2. The factory has sufficient personnel responsible for ensuring that employment contracts comply with legal and contractual requirements to maintain salary systems and records, and to ensure that all workers receive compensation in accordance with the contract. 3. New employees were required to attend on-boarding training from the Management and the handbook was provided about the employment policy. according to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone. 4. The factory has designated a dedicated person to conduct regular audits of employment contracts, salary records, and worker conditions to ensure compliance with employment laws. If any situation that does not meet the requirements of formal employment is found, corrective measures will be taken immediately.

← Code area 7

Code area 8.A →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	System: 1. Written contract or other binding agreement that specifies the terms and conditions of employment, that meet all legal requirements, in a language workers can understand. 2. Met its contractual and legal obligations in cases of dismissal, termination or redundancy. 3. Used an employment or engagement model appropriate to and intended for the nature of work undertaken in the local context. 4. Not utilised apprenticeships, temporary, irregular, sub-contracted or non-employment models of labour for the purpose of avoiding its obligations relating to regular employment, regardless of legality. 5. Not sub-contracting or home-working was used by the facility. 6. Not unfairly restrict those working under apprenticeships, temporary, irregular, sub-contracted or non-employment models of labour from seeking regular employment. 7. Not apprenticeship scheme was used in the facility. 8. Complied with all other applicable laws. Evidence: 1. Employee Handbook, Employment Management Procedure, etc. 2. The hiring and termination practices 3. Personnel files and labour contracts 4. Management interview and worker interview 5. List of approval suppliers 6. Site tour

← Code area 7

Code area 8.A →

8. Regular employment is provided

Data points

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

← Code area 8 Code area 8.A →

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The factory established Sub-contracting and homeworkers policy. The procedures stipulated that no home working should be used in the factory. The factory did not use any sub-contractors or homeworkers, the procedures were compiled by the Management, and approved by the General Manager. 2. Prohibit working from home and unauthorized subcontracting, while monitoring suppliers and subcontractors for the use of domestic workers or unauthorized subcontracting. Regularly review the internal practices of the factory to ensure compliance with ethical standards related to wages, working hours, and worker safety. 3. New employees were required to attend on-boarding training from the Management and the handbook was provided about Sub-contracting and homeworkers policy. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone. 4. Manager followed and monitored the execution of the procedure if subcontractors and homeworkers were used. The facility did not use any subcontractors and homeworkers. If any violations or issues are found at the subcontracting or homeworkers aspects, corrective measures will be taken immediately.

← Code area 8

Code area 9 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	System: 1. Ensured all homeworking and sub-contracted work is authorised by the relevant clients receiving the products. 2. Established a system to assess working conditions at sub-contracted sites. 3. Not sub-contracting or home-working was used by the facility. 4. Complied with all other applicable laws. Evidence: 1. Employment Management Procedure, Supplier Management Procedure, etc. 2. List of approval suppliers 3. Production records 4. Site tour 5. Management interview and worker interview

← Code area 8

Code area 9 →

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

Data points

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

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?	
Are full records of homeworkers available at the site?	
Does the supplier buy products or services from suppliers that use homeworkers?	No The supplier had established the sub-contracting and homeworkers control procedure and the supplier forbidden to 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 A site tour showed that all production processes were present in the company and no subcontracting was used by the factory.

← Code area 8.A

Code area 9 →

Are any sub-contractors used?	No

[← Code area 8.A] [Code area 9 →]

9. No harsh or inhumane treatment is allowed

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	1. The factory established no harsh or inhumane treatment policy. The procedures stipulated that no harsh or inhumane treatment in factory. If similar incidents occur, report to the management immediately. The procedures were compiled by the management, and approved by the General Manager. 2. The factory appointed the administrative manager responsible for implementing policies to regularly communicate with worker representatives, follow up on worker representative meetings and report to the factory management. The Administrative Supervisor had a good understanding of the policy content and the situation of the factory. 3. New employees were required to attend on-boarding training from the management and the handbook was provided about no harsh or inhumane treatment policy. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone. 4. According to factory management interview, worker representative meetings were held quarterly. The system established an effective communication channel between factory management and workers. According to worker interview, through the training organized by the factory, they were very clear about the specific requirements of the factory regarding no harsh or inhumane treatment policy.

← Code area 8.A

Code area 10.A →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	System: 1. Facility did not engage in or facilitate harsh or inhumane treatment of workers, including gender-based violence and harassment. 2. Communicated to all workers a workplace policy prohibiting harsh or inhumane treatment, including gender-based violence and harassment. 3. Communicated to all workers a disciplinary policy, and procedures that are fair and appropriate. 4. Adopted measures to prevent and control risks of harsh or inhumane treatment. 5. Ensured appropriate training for workers at all levels in roles where risk has been identified and those with relevant supervisory or administrative responsibilities, to prevent harsh or inhumane treatment in the workplace. 6. Ensured all workers have accessible information and accessible training (where relevant) on the measures taken to prevent and control harsh or inhumane treatment, the identified risks and their rights and responsibilities. 7. Not conduct bodily searches. 8. Established a formal process for workers to be able report grievances (concerns, complaints, or problems) without fear of retaliation. 9. Complied with all other applicable laws. Evidence: 1. Employee Handbook, Prohibition Physical Punishment and Abuse Control Procedure, etc. 2. Site description and profile 3. Disciplinary action records 4. Grievance records 5. Site tour 6. Management interview and worker interview 7. Training records

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

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

← Code area 9 Code area 10.A →

10.A. Environment 2-Pillar

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	1. The factory established environmental management system, risk assessment was conducted accordingly. And there is particularly detailed content during the document review. 2. The factory appointed Factory Manager responsible for implementing policies. The meeting minutes with employees especial the management level about the environment issues was kept properly. Factory Manager had been working in the factory for many years and had a good understanding of the policy content and the situation of the factory. And Factory Manager was particularly familiar with the relevant requirements and regulations during the management interview. 3. New employees were required to attend on-boarding training from the Management and the handbook was provided about environmental management system. According to factory management and workers interview, the factory also held an annual training on factory procedure documents for everyone. 4. Regular environmental audits are conducted to ensure compliance with local, regional, and national environmental laws. Monitoring systems exist but are not fully comprehensive, leading to some missed compliance checks or irregular assessments.

← Code area 9

Code area 10.B →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	System: 1. Remained aware of the local, regional and national environmental laws relating to the site, and have clear processes around how these laws are updated and communicated. 2. Complied with relevant local, regional and national laws or regulations. Maintained all legally required environmental documents in place. 3. Established a system in place for identifying and remediating gaps between their clients' environmental standards and the environmental impact of their own operations. 4. Maintained a list of hazardous substances (e.g. chemicals and pesticides) used in manufacturing or in purchased components. Evidence: 1. Environmental Control Management Procedure, Carbon Emission Reduction Control Procedure, etc. 2. Local and national environmental laws 3. Site description and profile 4. Site tour 5. Management interview and worker interview 6. Training records

← Code area 9 Code area 10.B →

10.A. Environment 2-Pillar

Data points

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

← Code area 10.A

Code area 10.B →

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	System: 1. Identified and monitored potential negative environment impacts of operations and supply chain and have in place systems that prevent, mitigate or remedy the impacts of their own operations. 2. Established and communicated policies and processes, endorsed at the highest level, that includes commitments to improve environmental performance and an approach to managing environmental impacts on relevant stakeholders. 3. Established resource-use targets and a plan to reach them. 4. Recorded energy use, water use, solid waste, material use, hazardous substance use and waste, and effluent discharged. 5. Monitored and mitigated the site's impacts on biodiversity. Evidence: 1. Environmental Control Management Procedure, Carbon Emission Reduction Control Procedure, etc. 2. Site description and profile 3. Waste disposal record 4. Site tour 5. Management interview and worker interview

← Code area 10.A

Code area 10.C →

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Sustainable material sourcing 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 had established the system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

Usage/discharge analysis

	Last full calendar year (2024)	Previous full calendar year (2023)

← Code area 10.B
Code area 10.C →

Total electricity consumption from non-renewable sources (kWh)	100,000	Data not available
Total electricity consumption from renewable sources (kWh)	Data not available	Data not available
Sources of renewable energy used	Data not available	Data not available
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	Data not available	Data not available
Usage of other purchased fuels	Data not available	Data not available
Has the site completed any carbon footprint analysis?	No	No
Water sources	Municipal water supply	Data not available
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	4,000	Data not available
Water discharged	Municipal sewer system	Data not available
Water volume discharged (m3)	1,000	Data not available
Water volume recycled (m3)	3,000	Data not available
Total waste produced (mt)	3.7	Data not available
Total hazardous waste produced (mt)	0.7	Data not available
Waste to recycling (mt)	2.1	Data not available

← Code area 10.B

Code area 10.C →

Waste to landfill (mt)	Data not available	Data not available
Waste to other (mt)	0.9	Data not available
Total product produced (mt)	200	Data not available

← Code area 10.B

Code area 10.C →

10.C. Business ethics

Management systems

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

← Code area 10.B

Management systems

Explanation for management systems grades	1. The facility's business ethics documents outlining the systems in place to manage this issue at the site includes all relevant requirements of the code area. Further details could be found in the Anti-bribery and Anti-corruption Management Procedure, this including relevant requirements of the code area. Although the facility has declared its understanding of current and relevant legislation related to bribery, corruption, unethical or any type of fraud or unethical business practices. However, the facility did not regularly evaluate the procedure and policy in use so there was a risk that the procedure and policy was not in compliance with the latest regulations. 2. The documents clearly assigned responsibilities, outlined processes, and addressed all code areas. It also provided a letter of appointment for Manager to be in charge of the commercial ethics content of the facility. The manager was responsible for implementation and was aware of his responsibilities, and had been working in the facility for many years and has a good understanding of the policy content and the situation of the facility. 3. New employees were required to attend on-boarding training from the management. According to management and workers interview, the facility also held an annual training on facility's procedure for everyone. However, after the training, the facility did not conduct an assessment of the training's effectiveness and regularly conduct training needs analysis to develop future training plans to adapt to changes in operating conditions. 4. Manager followed and monitored the execution of the procedure, to ensure compliance with business ethics regulations. But the facility did not proactively conduct the survey and investigation for workers and its suppliers to ensure that no potential business ethics risks occurred.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 10.B

Systems and evidence examined to validate this code section	Systems: 1. Demonstrated understanding of current and relevant legislation relating to bribery, corruption, unethical, or any type of fraudulent or unethical business practices. 2. Assessed risks of bribery, corruption or any fraudulent or unethical business practices and implement measures to mitigate these. 3. Demonstrated awareness of, and compliance with, any fiscal legislative requirements, where required. 4. Established and communicated a business ethics policy covering bribery, corruption, or any type of fraudulent or unethical business practice to all parties it deems as high risk, including the site's own suppliers. 5. Provided appropriate business ethics training to workers at all levels in roles which have greater exposure to risks of bribery, corruption, fraudulent or unethical business practices, such as sales, purchasing, logistics. 6. Established and implemented a transparent and accessible mechanism that effectively allows confidential and anonymous reporting, monitoring and investigation of any fraudulent or unethical business practices without fear of reprisals towards the reporter. 7. Obtained and stored personal data with the appropriate consents and controls, complying with any legislative requirements. 8. Implemented appropriate and effective corrective actions where they have been subject to any fines/prosecutions for non-compliance to business ethics, regulations or equivalent. 9. Demonstrated that licences and permissions are held relating to ownership and/or leasing of the land where the site operates. Evidence: 1. Anti-bribery and Anti-corruption Management Procedure 2. Commitment of supplier 3. Training records 4. Site tour 5. Management interview and worker interview

← Code area 10.B

10.C. Business ethics

Data points

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

← Code area 10.C

Attachments

ZAA600157208_BMXM024366-01B_Team Fortune Zhihui (Huizhou) Animation Co Ltd_Initial_19-20 September 2025_Signed CAPR(4P).pdf

ZAA600157208_BMXM024366-01B_Team Fortune Zhihui (Huizhou) Animation Co Ltd_Initial_19-20 September 2025_Photo Form(4P).pdf